HOLLY STREET CAPITAL LTD.

FILING STATEMENT

QUALIFYING TRANSACTION
INVOLVING THE ACQUISITION

OF ALL THE ISSUED AND OUTSTANDING SECURITIES OF
US CRITICAL METALS CORP.

All information contained in this Filing Statement with respect to US Critical Metals Corp. ("USCM") was supplied by USCM for inclusion herein.

Neither the TSX Venture Exchange Inc. (the "Exchange") nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this Filing Statement.

Dated as of March 31, 2022

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CERTIFICATE OF US CRITICAL METALS CORP. C-1

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GLOSSARY OF TERMS

The following is a glossary of certain definitions used in this Filing Statement. Terms and abbreviations used in the financial statements of Holly Street, USCM and the Resulting Issuer in the appendices to this Filing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**AAL**" means American Assay Labs located in Sparks, Nevada;

"**Actlabs**" means Activation Laboratories Ltd. located in Ancaster, Ontario, Canada;

"**Affiliate**" means a Company that is affiliated with another Company as described below.

A Company is an "Affiliate" of another Company if:

(a) one of them is the subsidiary of the other, or

(b) each of them is controlled by the same Person.

A Company is "controlled" by a Person if:

(a) voting securities of the Company are held, other than by way of security only, by or for the benefit of that Person, and

(b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company.

A Person beneficially owns securities that are beneficially owned by:

(a) a Company controlled by that Person, or

(b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person;

"**Agreement Finder**" means Dragon Alternative Fund Inc.;

"**Agreement Finder Shares**" means 1,467,857 Resulting Issuer Shares to be issued to the Agreement Finder;

"**ALS**" means ALS Global – Geochemistry Analytical Lab located in Reno, Nevada;

"**Applicable Laws**" means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Entity, and any terms and conditions of any grant of approval, permission, authority or license of a Governmental Entity, that is binding upon or applicable to a certain Person or its business, undertaking, property or securities and emanates from such Governmental Entity having jurisdiction over such Person or its business, undertaking, property or securities;

"**Arm's Length Transaction**" means a transaction which is not a "related party transaction" (as defined in by the Exchange Policies);

"**Associate**" when used to indicate a relationship with a Person, means:

(a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,

(b) any partner of the Person,

(c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity,

(d) in the case of a Person, who is an individual:

(i) that Person's spouse or child, or

(ii) any relative of the Person or of his spouse who has the same residence as that Person;

but

(e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a member firm, member corporation or holding company of a member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company;

"**BLM**" means the Bureau of Land Management;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended from time to time;

"**Business Combination**" means the acquisition by Holly Street of USCM by way of the Share Exchange pursuant the terms and conditions set forth in the Business Combination Agreement;

"**Business Combination Agreement**" means the agreement dated January 7, 2022, between USCM, Holly Street and the USCM Vendors, as may be amended from time to time, setting forth the terms pursuant to which USCM and Holly Street will complete the Share Exchange;

"**C&C**" means Charlton & Company, Chartered Professional Accountants, Auditors of Holly Street;

"**Clayton Ridge Option Agreement**" means the mining lease and option to purchase agreement dated October 12, 2021 between US Energy and the Clayton Ridge Property Optionor in respect of the Clayton Ridge Property;

"**Clayton Ridge Property**" means the Clayton Ridge Lithium Project, consisting of 90 unpatented mining claims covering approximately 1,859.4 acres, located in Esmerelda County, Nevada, USA, subject to the Clayton Ridge Royalty;

"**Clayton Ridge Property Optionor**" means Nevada Alaska Mining Co., Inc.;

"**Clayton Ridge Report**" means a NI 43-101 compliant technical report for the Clayton Ridge Property;

"**Clayton Ridge Royalty**" means 3% gross returns royalty on production of minerals granted to Clayton Ridge Property Optionor upon exercise of the option pursuant to the Clayton Ridge Option Agreement;

"**Clearhouse**" means Clearhouse LLP, Chartered Professional Accountants, Auditors of USCM;

"**Closing**" or "**Closing Date**" means the closing of the Business Combination in accordance with the terms of the Business Combination Agreement, as amended from time to time;

"**Company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;

"**Completion of the Qualifying Transaction**" means the date the Final QT Exchange Bulletin is issued by the Exchange;

"**Consolidation**" means the consolidation of the issued and outstanding Holly Street Shares on the basis of the Consolidation Ratio;

"**Consolidation Ratio**" means the ratio for the Consolidation, being 1.5 pre-Consolidation Holly Street Shares for each 1 Holly Street Post-Consolidation Share, pursuant to which the total number of Holly Street Post-Consolidation Shares issued and outstanding immediately following such consolidation shall be approximately 5,006,666 (subject to rounding);

"**Contingent Board**" means the contingent board of the Resulting Issuer, which shall be approved at the Holly Street Meeting and take effect as of the Effective Time and be comprised of Darren Collins, Marco Montecinos, Peter Simeon, and Scott Benson;

"**Control Person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

"**COVID-19**" means the 2019 novel coronavirus disease and any evolution, mutation or variation thereof;

"**CPC**" or "**Capital Pool Company**" means a corporation or trust:

(a) that has filed an obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with Exchange Policy 2.4; and

(b) in regard to which the Final QT Exchange Bulletin has not yet been issued;

"**DGC**" means Dahrouge Geological Consulting Ltd.;

"**Effective Date**" the date on which the Effective Time occurs;

"**Effective Time**" means the time of closing of the Share Exchange;

"**Escrow Agent**" means Olympia Trust Company;

"**Escrowed Securities**" has the definition ascribed to such term as provided in *"Part V – Information Concerning the Resulting Issuer – Escrowed Securities – Value Escrow Securities"*;

"**Escrowed Securityholder**" has the definition ascribed to such term as provided in *"Part V – Information Concerning the Resulting Issuer – Escrowed Securities – Value Escrow Securities"*;

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange Inc.;

"**Exchange Policies**" means the applicable rules, regulations, policies and forms of the Exchange;

"**Exchange Policy 2.2**" means Exchange Policy 2.2 - "*Sponsorship and Sponsorship Requirements*" of the Exchange's Corporate Finance Manual;

"**Exchange Policy 2.4**" means Exchange Policy 2.4 - "*Capital Pool Companies*" of the Exchange's Corporate Finance Manual;

"**Exchange Policy 5.4**" means Exchange Policy 5.4 – *"Escrow, Vendor Consideration and Resale Restrictions"* of the Exchange;

"**Exchange Rate**" has the definition ascribed to such term as provided in *"Exchange Rate and Currency"*;

"**Filing Statement**" means this filing statement, together with all appendices attached hereto and including the summary hereof;

"**Finders**" means certain registered eligible arm's length parties who shall act as finders in connection with the Financing, each, a "**Finder**";

"Finder Fee" means the $156,636.19 in cash commissions payable to the Finders in connection with the Financing, equal to 7% of certain gross proceeds raised from Holly Street Post-Consolidation Units sold to subscribers introduced to Holly Street by such Finders;

"Finder Warrants" means the 447,532 finder warrants issuable to the Finders in connection with the Financing, equal to 7% of certain Holly Street Post-Consolidation Units sold to subscribers introduced to Holly Street by such Finders, with each Finder Warrant exercisable for one Resulting Issuer Share at a price of $0.35 per Resulting Issuer Share for a period of 24 months following the Closing;

"**Final QT Exchange Bulletin**" means the bulletin issued by the Exchange following the Completion of the Qualifying Transaction and the submission of all required documentation that evidences the final Exchange acceptance of the Qualifying Transaction;

"**Financing**" means the sale of 17,142,858 Holly Street Post-Consolidation Units on a non-brokered private placement basis, concurrent with the Qualifying Transaction, for aggregate gross proceeds to Holly Street of $6,000,000.30 at a price of $0.35 per Holly Street Post-Consolidation Unit; in addition to any other applicable restrictions pursuant to Securities Laws, the Holly Street Post-Consolidation Shares and the Holly Street Post-Consolidation Warrants issued pursuant to the conversion of the Holly Post-Consolidation Units will be subject to a contractual hold period of 4 months from the date of Closing;

"**Governmental Entity**" means any government, parliament, legislature, regulatory authority (including any Securities Commission or stock exchange), governmental department, agency, commission, board, tribunal, crown corporation, court or other law, rule or regulation-making entity having jurisdiction or exercising executive, legislative, judicial, regulatory or administrative powers on behalf of any federation or nation, or any province, territory, state or other subdivision thereof or any municipality, district or other subdivision thereof;

"**Hanna**" means Hanna Mining Co.;

"**Haynes Option Agreement**" means the option agreement dated September 24, 2021 between USCM and the Haynes Property Optionors in respect of the Haynes Property;

"**Haynes Property**" means the Haynes Stellite Project, consisting of 23 lode claims covering approximately 475.18 acres, located in Idaho, USA, subject to the Haynes Royalty;

"**Haynes Property Optionors**" means DG Resource Management Ltd., TY & Sons Investment Inc., and Arizona Lithium Company Ltd.;

"**Haynes Report**" means a NI 43-101 compliant technical report for the Haynes Property;

“**Haynes Royalty**” means 3% net smelter returns royalty payable on production of minerals to Haynes Property Optionors upon exercise of the option pursuant to the Haynes Option Agreement;

“**Haynes Stellite**” means Haynes Stellite Co.;

“**Holly Street**” means Holly Street Capital Ltd., a corporation existing under the BCBCA;

“**Holly Street Board**” means the board of directors of Holly Street;

“**Holly Street Conditions**” has the definition ascribed to such term as provided in *“Part I – Information Concerning the Business Combination – Conditions to the Business Combination – Additional Conditions to the Obligations of Holly Street”*;

“**Holly Street Escrow Agreement**” means the amended and restated Form 2F – CPC Escrow Agreement dated May 6, 2021 between Holly Street, the Escrow Agent and certain securityholders of Holly Street;

“**Holly Street Escrow Securities**” mean the Holly Street Shares held in escrow pursuant to the Holly Street Escrow Agreement;

“**Holly Street Meeting**” means the meeting of Holly Street Shareholders held on February 17, 2022;

“**Holly Street Option**” means a stock option of the Holly Street issued pursuant to the Legacy Option Plan.

“**Holly Street Post-Consolidation Shares**” means the common shares in the capital of Holly Street that will be issued and outstanding following the Consolidation;

“**Holly Street Post-Consolidation Unit**” means a notional unit issued or issuable by Holly Street pursuant to the Financing and consists of 1 Holly Street Post-Consolidation Share and 1 Holly Street Post-Consolidation Warrant, subject to adjustment in certain events;

“**Holly Street Post-Consolidation Warrants**” mean, collectively, the common share purchase warrants in the capital of Holly Street following the completion of the Consolidation forming a part of the Holly Street Post-Consolidation Units, with each Holly Street Post-Consolidation Warrant entitling the holder thereof to purchase 1 Resulting Issuer Share at an exercise price of $0.50 per Resulting Issuer Share for a period of 24 months following the date the Resulting Issuer Shares are listed on the Exchange, in accordance with its terms and subject to an acceleration clause;

“**Holly Street Shareholders**” means the holders of the Holly Street Shares and Holly Street Post-Consolidation Shares;

“**Holly Street Shares**” means the issued and outstanding common shares in the capital of Holly Street prior to the completion of the Consolidation;

“**IASB**” means the International Accounting Standards Board;

“**IBM**” means the Idaho Bureau of Mines and Geology Analytical Laboratory;

“**IDAPA**” means the Idaho Administrative Procedure Act;

“**IDEQ**” means the Idaho Department of Environmental Quality;

“**IDL**” means the Idaho Department of Lands;

“**IDWR**” means the Idaho Department of Water Resources;

"**IFRIC**" means the International Financial Reporting Interpretations Committee;

"**IFRS**" means the International Financial Reporting Standards as issued by the IASB;

"**Insider**" if used in relation to an issuer, means: (a) a director or senior officer of the issuer; (b) a director or senior officer of a Company that is an Insider or Subsidiary of such issuer; (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of such issuer; or (d) such issuer itself if it holds any of its own securities;

"**Legacy Option Plan**" means the 10% rolling stock option plan of Holly Street adopted by Holly Street on September 16, 2019;

"**Legacy Optionees**" has the definition ascribed to such term as provided in *"Part III – Information Concerning Holly Street – Option Plan"*;

"**Material Adverse Effect**" means, in respect of any entity, any one or more changes, events or occurrences which, either individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, capital, property, obligations (whether absolute, accrued, conditional or otherwise), liabilities or financial condition of that entity and its Subsidiaries taken as a whole, or prevent, materially delay or hinder that entity from performing its respective obligations under this Agreement or materially impede the consummation of the transactions contemplated by this Agreement, other than any change, event or occurrence: (i) affecting the mining industry in general; (ii) in or relating to general political, economic, financial or capital market conditions (including any reduction in market indices); (iii) in or relating to IFRS or regulatory accounting requirements; or (iv) in or relating to any change in Applicable Laws or any interpretation, application or non-application thereof by any Government Authority; provided, however, that such effect referred to in clause (i) to (v) above does not have a disproportionate effect on that entity and its Subsidiaries (taken as a whole) compared to other companies of similar size operating in the same industry;

"**MD&A**" means the management's discussion and analysis of the financial condition and results of operations of a Company;

"**Mutual Conditions**" has the definition ascribed to such term as provided in *"Part I – Information Concerning the Business Combination – Conditions to the Business Combination – Mutual Conditions"*;

"**Name Change**" means the change of the name of Holly to "US Critical Metals Corp." or such other name as may be determined in the sole discretion of USCM, subject to Applicable Laws and Exchange Policies, such name change to be completed on or prior to the Effective Date;

"**Named Executive Officers**" or "**NEO**" means the following individuals:

(a) each Chief Executive Officer;

(b) each Chief Financial Officer

(c) the most highly compensated executive officer, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000 for that financial year; and

(d) each additional individual who would be a NEO under (c) above, but for the fact that the individual was neither an executive officer of a Company, nor acting in a similar capacity, at the end of the most recently completed financial year;

"**NEPA**" means the *National Environment Protection Act*;

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

“**Non-Arm’s Length Party**” means:

(a) in relation to a Company:

(i) a Promoter, officer, director, other Insider or Control Person of that Company and any Associates or Affiliates of any such Persons; or

(ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, Insider or Control Person as the Company;

(b) in relation to an individual, any Associate of the individual or any Company of which the individual is a Promoter, officer, Insider or Control Person;

“**Noranda**” means Noranda Mining Inc.;

“**Option Expiry Time**” has the definition ascribed to such term as provided in *“Part V – Information Concerning the Resulting Issuer – Incentive Securities – Stock Option Plan”*;

“**Option Plan**” means the 10% rolling stock option plan of Holly Street to be adopted at the Holly Street Meeting;

“**Optionees**” has the definition ascribed to such term as provided in *“Part V – Information Concerning the Resulting Issuer – Incentive Securities – Stock Option Plan”*;

“**Outside Date**” means March 31, 2022 or such other date as USCM and Holly Street may mutually agree;

“**Paragon**” means Paragon Geochemical Laboratory located in Sparks, Nevada, United States;

“**Participants**” has the definition ascribed to such term as provided in *“Part V – Information Concerning the Resulting Issuer – Incentive Securities – RSU Plan”*;

“**Payment Shares**” has the definition ascribed to such term as provided in *“Summary of the Filing Statement – The Qualifying Transaction”*;

“**Person**” means a Company or individual;

“**Promoter**” means:

(a) a person or company that, acting alone or in conjunction with one or more other persons, companies or a combination of them, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer; or

(b) a person or company that, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property or both services and property, 10% or more of the issued securities of a class of securities of the issuer or 10% or more of the proceeds from the sale of a class of securities of a particular issue, but a person or company who receives the securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be considered a Promoter within the meaning of this definition where that person or company does not otherwise take part in founding, organizing or substantially reorganizing the business;

"**Qualifying Transaction**" means a transaction where the CPC acquires Significant Assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another Company or by other means and, specifically in the case of Holly Street, the Business Combination, the Financing, the Consolidation, the Name Change, the Share Exchange, and the election of the Contingent Board, and will constitute the "qualifying transaction" of Holly Street pursuant to Exchange Policy 2.4;

"**Registrar**" means the Registrar of Companies under the BCBCA;

"**Resulting Issuer**" means the issuer that was formerly a CPC, which exists upon the Completion of the Qualifying Transaction;

"**Resulting Issuer Escrow Agreement**" means the Exchange Form 5D Tier 2 Value Security Escrow Agreement to be entered into in connection with the Completion of the Qualifying Transaction among the Resulting Issuer, Escrow Agent and certain security holders of the Resulting Issuer in compliance with the requirements of the Exchange, as more particularly described in this Filing Statement;

"**Resulting Issuer Option**" means a stock option of the Resulting Issuer issued pursuant to the Option Plan;

"**Resulting Issuer Replacement Warrant**" has the definition ascribed to such term as provided in *"Summary of the Filing Statement – The Qualifying Transaction"*;

"**Resulting Issuer RSU**" means an RSU of the Resulting Issuer issued pursuant to the RSU Plan.

"**Resulting Issuer RSU Agreement**" has the definition ascribed to such term as provided in *"Part V – Information Concerning the Resulting Issuer – Incentive Securities – RSU Plan"*;

"**Resulting Issuer Shareholders**" means the holders of Resulting Issuer Shares;

"**Resulting Issuer Shares**" means the issued and outstanding common shares in the capital of the Resulting Issuer, on a post-Consolidation basis;

"**Resulting Issuer Warrants**" means the common share purchase warrants of the Resulting Issuer;

"**Resulting Issuer Warrant Shares**" means the Resulting Issuer Shares issuable by the Resulting Issuer upon the exercise of the Resulting Issuer Warrants;

"**RRIF**" means a registered retirement income fund;

"**RRSP**" means a registered retirement savings plan;

"**RSU**" means a restricted share unit;

"**RSU Plan**" means the 10% fixed RSU plan of Holly Street to be adopted at the Holly Street Meeting;

"**Seed Shares**" has the definition ascribed to such term as provided in *"Part V – Information Concerning the Resulting Issuer – Escrowed Securities – Seed Share Resale Restrictions"*;

"**Securities Act**" means the *Securities Act* (British Columbia) and the regulations thereunder, as amended from time to time;

"**Securities Laws**" means, collectively, the securities laws of the Provinces of British Columbia, Alberta, and Ontario and the regulations and rules made and forms prescribed thereunder, together with all applicable multilateral or national instruments, published policy statements, blanket orders, rulings and notices of the Securities Commissions, and together with all policies, rules and regulations of the Exchange;

"**Share Exchange**" means the purchase by Holly Street of the USCM Shares in exchange for the Payment Shares;

"**Significant Assets**" means means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any concurrent transactions, would result in the CPC meeting the initial listing requirements of the Exchange;

"**Special Resolution**" means a resolution passed by $66^{2/3}$% of the votes cast at a meeting of USCM Shareholders;

"**Subsidiary**" has the meaning ascribed thereto in the BCBCA;

"**Technical Reports**" means the Haynes Report and the Clayton Ridge Report;

"**United States**" or "**U.S.**" mean the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

"**US Energy**" means US Energy Metals Corp., a Nevada corporation, wholly-owned Subsidiary of USCM;

"**U.S. Person**" has the meaning ascribed to such term in Rule 902(k) or Regulation S under the U.S. Securities Act;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

"**USCM**" means US Critical Metals Corp., a corporation incorporated pursuant to the BCBCA;

"**USCM Board**" means the board of directors of USCM from time to time, and which currently consists of Darren Collins, Marco Montecinos, Peter Simeon, and Scott Benson;

"**USCM Conditions**" has the definition ascribed to such term as provided in *"Part I – Information Concerning the Business Combination – Conditions to the Business Combination – Additional Conditions to the Obligations of USCM and the USCM Vendors"*;

"**USCM Private Placement**" means the non-brokered private placement of 25,000,000 USCM Units for gross proceeds to USCM of $250,000, which closed in August 2021;

"**USCM Shareholders**" means the holders of the USCM Shares;

"**USCM Shares**" means the issued and outstanding common shares in the capital of USCM;

"**USCM Unit**" means a unit of USCM issued pursuant to the USCM Private Placement consisting of 1 USCM Share and 1 USCM Warrant.

"**USCM Warrantholders**" means the holders of the USCM Warrants;

"**USCM Warrants**" means the 25,000,000 common share purchase warrants in the capital of USCM forming part of the USCM Units, each USCM Warrant entitling the holder thereof to purchase 1 USCM Share at an exercise price of $0.10 for a period of 5 years from the closing of the USCM Private Placement;

"**USCM Vendors**" means, collectively, the USCM Shareholders and the USCM Warrantholders; and

"**USFS**" means the U.S. Forest Services.

TECHNICAL INFORMATION

Except where otherwise stated, the disclosure in this Filing Statement relating to the Haynes Property and the Clayton Ridge Property is based on the Technical Reports prepared and published in accordance with NI 43-101.

The Haynes Property and the Clayton Ridge Property are the only interests currently held by USCM and as such are material to USCM for the purposes of NI 43-101. USCM will continue to assess the materiality of its assets as new assets are acquired or move into production.

Glossary of Technical Terms

"**AA**" means atomic absorption;

"**Au**" means gold;

"**Ag**" means silver;

"**CE**" means a categorical exclusion;

"**Ca**" means calcium;

"**Co**" means cobalt;

"**Cu**" means copper;

"**EA**" means an environmental assessment;

"**EIS**" means an environmental impact statement;

"**GOR**" means gross overriding return;

"**g/t**" means grams per tonne;

"**ha**" means hectares;

"**ICB**" means the Idaho Cobalt Belt;

"**ICP-MS**" means an inductively coupled plasma mass spectrometry;

"**ICP-OES**" means an inductively coupled plasma optical emission spectroscopy;

"**IOCG**" means iron oxide-copper-gold

"**K-Ar**" means potassium-argon;

"**Li**" means lithium;

"**Mg**" means magnesium;

"**mineral tenures**" or "**claims**" means unpatented lode mining claims;

"**Mt**" means mega tons;

"**My**" means million years;

“**Mya**” means million years ago;

“**NOI**” means a notice of intent;

“**NSR**” means a net smelter royalty;

“**POO**” means a plan of operations;

“**ppm**” means parts per million;

“**REE**” means rare earth element;

“**SEDEX**” means sedimentary exhalative;

“**USGS**” means a U.S. Geological Survey;

“**VMS**” means volcanogenic massive sulphide;

“**Y**” means yttrium;

“**Zn**” means zinc;

Qualified Person

Janine Brown, B.Sc., P.Geo. of Dahrouge Geological Consulting Ltd. (not a Non-Arm’s Length Party) is a qualified person under NI 43-101, and has reviewed and approved the scientific and technical disclosure relating to the Haynes Property contained in this Filing Statement.

Robert Johansing, M.Sc. (not a Non-Arm’s Length Party) is a qualified person under NI 43-101, and has reviewed and approved the scientific and technical disclosure relating to the Clayton Ridge Property contained in this Filing Statement.

EXCHANGE RATE AND CURRENCY

This Filing Statement contains references to Canadian, and United States dollars. All dollar amounts referenced herein, unless otherwise indicated, are expressed in as Canadian dollars or “$”, United States dollars may be referred to as “USD”.

On March 30, 2022, the daily exchange rate for Canadian dollars in terms of the United States dollar, as quoted by the Bank of Canada, was USD$1.00 = $1.2470 (the “**Exchange Rate**”).

FORWARD-LOOKING STATEMENTS

This Filing Statement contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Securities Laws ("**forward-looking statements**"). All statements, other than statements of historical fact, made by USCM and/or Holly Street that address activities, events or developments that USCM and/or Holly Street expect or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements are often identified by words such as "may", "would", "could", "should", "will", "intend", "plan", "seek", "anticipate", "believe", "estimate", "expect" or similar words and expressions. Examples of forward-looking statements include, among others, statements relating to information regarding: the intention to complete the Business Combination, including the Share Exchange, Name Change, Consolidation, appointment of the Contingent Board and appointment of the officers of the Resulting Issuer; the description of the Resulting Issuer that assumes Completion of the Qualifying Transaction; the intention to grow the business and operations of the Resulting Issuer; and with respect to the Resulting Issuer, statements pertaining to, without limitation, expected capital expenditures and the use of available funds, the availability of future capital, cost and timing of future exploration of the Haynes Property and Clayton Ridge Property, success of any such exploration activities, permitting requirements, requirements for additional capital, governmental regulation of mining operations, environmental risks and hazards, and title disputes or claims. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on management's current beliefs, expectations or assumptions regarding the future of the business, future plans and strategies, operational results and other future conditions of USCM and/or Holly Street. Although USCM and Holly Street believe that the expectations, estimates, and projections reflected in such forward-looking statements are reasonable, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance, or achievements to differ materially from those suggested by the forward-looking statements. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. On this basis, readers are cautioned not to place undue reliance on such forward-looking statements.

Factors which could cause actual results to differ materially from those indicated in forward-looking statements include, without limitation, those listed in the *"Part II – Risk Factors"* section of this Filing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this Filing Statement. The forward-looking statements contained in this Filing Statement have been based on expectations, factors and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond USCM and Holly Street's control, including, without limitation: exploration risks; limited operating history risks; additional financing risks; current global financial condition risks; market price risks; limited market for securities risks; commodity prices risks; reliability of resource estimates risks; operating and insurance risks; environmental risks; land title risks; property commitments risks; dependence on properties risks; exploration and development risks; early stage development risks; exploitation of future development risks; third party reviews, reports and projections risks; government regulation risks; reliance on management risks; conflicts of interest risks; increasing competition risks; management growth risks; dividends risks; internal controls risks; liability to employees, contractors and consultants risks; disruption of business risks; public health crisis risks; currency rate risks; damage to reputation risks; substantial capital expenditures risks; availability of infrastructure risks; indigenous land title risks; permits and licensing risks; climate change risks; disruption from non-governmental organizations risks; health and safety risks; operating hazard risks; and other factors, many of which are beyond the control of USCM and Holly Street.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this Filing Statement are made as of the date hereof and are presented for the purpose of assisting readers in understanding USCM and Holly Street's financial position and results of operations, as well as their objectives and strategic priorities, and may not be appropriate for other purposes. USCM and Holly Street undertake no obligation to publicly update or revise any forward-looking statements or any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable Securities Laws. The forward-looking statements are expressly qualified by this cautionary statement.

USCM is a mineral exploration company, and its mineral resource properties are in the exploration stage only. The degree of risk increases substantially where an issuer's mineral resource properties are in the mineral exploration stage as opposed to the development or operational stage. An investment in common shares of mineral exploration companies is speculative and involves a high degree of risk and should only be made by investors who can afford the total loss of their investment. Prospective investors should consider the risk factors as set out under the heading *"Risk Factors"*.

SUMMARY OF FILING STATEMENT

The following is a summary of information relating to Holly Street, USCM and the Resulting Issuer (assuming completion of the Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement. Reference is made to the Glossary of Terms for the definitions of certain abbreviations and terms used in this Filing Statement and in this summary. All information provided in this summary and in the Filing Statement is current as of March 31, 2022.

This Filing Statement has been prepared in accordance with Exchange Policy 2.4 and Exchange Form 3B2 - "Information Required in a Filing Statement for a Qualifying Transaction" in connection with the Qualifying Transaction.

Parties	Holly Street is a reporting issuer in the provinces of British Columbia, Alberta and Ontario and the outstanding Holly Street Shares are listed on the Exchange under the symbol "HSC.P". For additional information about Holly Street, please see *"Part III – Information Concerning Holly Street"*. USCM is a private company that was incorporated on July 12, 2021 under the laws of Province of British Columbia. USCM is focused on mining projects that will secure supply of critical metals in the United States of America through the exploration and development of critical metal assets with near-term and long-term strategic value. For additional information about USCM, please see *"Part IV – Information Concerning USCM"*.
The Qualifying Transaction	On January 7, 2022, USCM, Holly Street and the USCM Vendors entered into the Business Combination Agreement, which provides for the acquisition by Holly Street of all the issued and outstanding securities of USCM. A copy of the Business Combination Agreement is available on SEDAR at www.sedar.com. The purchase price payable by Holly Street to the USCM Shareholders for their respective USCM Shares shall be deemed to be $0.35 per USCM Share so acquired, which shall be satisfied in full by the issuance to the USCM Shareholders of 1 Resulting Issuer Share (the "**Payment Shares**") for each 1 USCM Share. Holly Street further agrees to purchase all USCM Warrants outstanding immediately prior to Closing, which shall be satisfied in full by the issuance to the USCM Warrantholders of 1 Resulting Issuer Warrant (each a "**Resulting Issuer Replacement Warrant**") for each 1 USCM Warrant held. The Business Combination Agreement incorporates the principal terms for the Business Combination and provides the basis upon which the parties will affect the Business Combination in compliance with Exchange requirements. In addition to the Business Combination, there are a number of transactions that are expected to occur concurrently with or prior to the Business Combination including the completion of the Financing, the Name Change, the Consolidation, the Share Exchange and the appointment of the Contingent Board elected by the Holly Street Shareholders at the Holly Street Meeting.
Consolidation, Name Change and Contingent Board	Immediately prior to the Business Combination, Holly Street will complete the Name Change and the Consolidation and the appointment of the Contingent Board elected by Holly Street Shareholders at the Holly Meeting.
Financing	Concurrent with the Business Combination, Holly Street will complete the Financing pursuant to which it will issue 17,142,858 Holly Street Post-Consolidation Units at a price of $0.35 per Holly Street Post-Consolidation Unit for gross proceeds of $6,000,000.30.

	In connection with the Financing, the Finders will be issued the Finder Warrants and paid the Finder Fee. See "*Part III - Information Concerning the Holly Street – General Development of the Business – Financing".*
Conditions to Completion of the Business Combination	The Business Combination is conditional upon, among other things, completion of the Financing, obtaining necessary shareholder approval or consent, where applicable, and meeting the terms and conditions set forth in the Business Combination Agreement. See *"Part I – Information Concerning the Business Combination*".
Principal Purposes	Following the Completion of the Qualifying Transaction, the Resulting Issuer intends to use its available funds for general working capital purposes and future exploration activities on mineral properties, primary exploration activities on the Haynes Property and the Clayton Ridge Property as recommended in the Technical Reports.
Interests of Insiders	Except as disclosed herein, no Insider, Promoter or Control Person of Holly Street and no Associate or Affiliate of the same, has any interest in the Qualifying Transaction, other than those which arise from the holding of Holly Street Shares.
Directors and Officers of the Resulting Issuer	Upon completion of the Business Combination, Joel Freudman, Anthony Viele and Damian Lopez shall resign as directors of Holly Street. Joel Freudman shall resign as Chief Executive Officer and Ryan Cheung shall resign as Chief Financial Officer and Corporate Secretary of Holly Street. As approved by the Holly Street Shareholders at the Holly Street Meeting and subject to the receipt of Exchange approval, the directors of the Resulting Issuer as at the Effective Time shall be Marco Montecinos, Darren Collins, Peter Simeon, and Scott Benson. The Resulting Issuer will appoint Darren Collins as its new Chief Executive Officer and Keith Li as its new Chief Financial Officer and Corporate Secretary, subject to Exchange approval. It is anticipated that the number and percentage of Resulting Issuer Shares over which such new directors and officers, and the Associates and Affiliates of such new directors and officers, exercise control, will be as set forth below.

Proposed Directors and Officers	Number and Percentage of Resulting Issuer Shares upon Completion of the Qualifying Transaction
Darren Collins Chief Executive Officer and Director	5,000,100 9.7%
Keith Li Chief Financial Officer and Corporate Secretary	Nil
Marco Montecinos Director and VP Exploration	Nil
Peter Simeon Director	Nil
Scott Benson(1) Director	10,000,000 19.4%

Notes:
(1) Scott Benson holds his shares beneficially through Recharge Capital Corp. of which he is the controlling shareholder.

See "*Part V - Information Concerning the Resulting Issuer – Directors, Officers and Management*".

Arm's Length Transaction

The Qualifying Transaction is an Arm's Length Transaction under the policies of the Exchange.

Available Funds

After giving effect to the Qualifying Transaction, funds available to the Resulting Issuer will be as follows:

Source of Funds	Amount of Funds
Consolidated working capital of Holly Street	$**178,759.47**
Consolidated working capital deficiency of USCM	$(286,392)
Gross proceeds of the Financing	$6,000,000.30
Total Estimated Funds Available	$**5,892,367.77**

Principal Purposes of Funds

The following table sets forth the proposed use of the available funds by the Resulting Issuer upon Completion of the Qualifying Transaction (including the Financing), and for the 12 months thereafter, to achieve the Resulting Issuer's business objectives, as disclosed in *"Part V – Information Concerning the Resulting Issuer – Stated Business Objectives"*.

Use of Available Funds	Amount

Qualifying Transaction costs	\$250,000.00
Financing costs	\$156,636.19
Estimated general and administrative expenses over the 12 months following the Closing Date(1)	\$350,000.00
Phase 1 exploration costs on the Haynes Property	\$377,000.00(2)
Phase 1 exploration costs on the Clayton Ridge Property	\$61,103.00(3)(4)
Payments to Haynes Property Optionors	\$100,000.00
Payments to Clayton Ridge Property Optionor	\$280,575.00(4)
Unallocated working capital	\$4,317,053.58
Total	\$**5,892,367.77**

Notes:

(1) General and administrative expenses include, but are not limited to, office expenses, insurance expenses, supplies and salaries.

(2) The estimated costs for the second phase drilling program on the Haynes Property is expected to be \$595,000, which is anticipated to occur 12-24 months form the Completion of the Qualifying Transaction, subject to the completion and results of the phase one exploration activities. The Resulting Issuer may need to raise additional funds to complete the second phase drilling program on the Haynes Property.

(3) The estimated costs for the second phase drilling program on the Clayton Ridge Property is expected to be \$863,547.50**(4)**, which is anticipated to occur 12-24 months form the Completion of the Qualifying Transaction, subject to the completion and results of the phase one exploration activities. The Resulting Issuer may need to raise additional funds to complete the second phase drilling program on the Clayton Ridge Property.

(4) Converted from USD to Canadian dollars pursuant to the Exchange Rate.

The Resulting Issuer will use the funds for general corporate, working capital purposes and future exploration activities on its mineral properties, and primary exploration activities on the Haynes Property and the Clayton Ridge Property as recommended in the Technical Reports.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary or prudent. It is difficult, at this time, to definitively project the total funds necessary to effect the planned activities of the Resulting Issuer. For these reasons, management of Holly Street and USCM consider it to be in the best interests of the Resulting Issuer and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. For additional information, see "*Part V - Information Concerning the Resulting Issuer – Principal Purposes of Funds*" and "*Part V - Information Concerning the Resulting Issuer – Narrative Description of the Business – Stated Business Objectives*". Further, the above uses of available funds should be considered estimates. See "*Forward-Looking Statements*".

Upon completion of the Qualifying Transaction, the Resulting Issuer is expected to have sufficient cash available to pay its operating and administrative costs for at least the next 12 months.

Dividends Holly Street has no restrictions on paying dividends. Holly Street has no intention of paying any dividends in the near future.

Selected Pro Forma Current assets \$6,094,115

Consolidated Financial Information for the Resulting Issuer as at January 31, 2022	Total assets	$6,094,115
	Current liabilities	$262,075
	Long-term liabilities	$262,075
	Total Shareholders' Equity	$5,832,040
	Total Liabilities and Shareholders' Equity	$6,094,115

See Appendix E "*Pro Forma Financial Statements for the Resulting Issuer*".

Trading Price

The Holly Street Shares are listed on the Exchange under the trading symbol "HSC.P". The closing price of the Holly Street Shares on October 21, 2021, being the last day the Holly Street Shares traded on the Exchange before being halted, was $0.135 per Holly Street Share. See *"Part III - Information Concerning Holly Street – Trading Price and Volume*"*.*

There is currently no market for the USCM Shares.

Sponsorship

Holly Street has received an exemption from the Exchange from the sponsorship requirements contained in Exchange Policy 2.2.

Shareholder Approval

Holly Street held a meeting of shareholders on February 17, 2022 to approve the Contingent Board, the Option Plan and the RSU Plan. At the Holly Street Meeting, Holly Street Shareholders approved the Contingent Board, the Option Plan and the RSU Plan.

Conflicts of Interest

The proposed directors and officers of the Resulting Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and the laws requiring disclosure by directors and officers of conflicts of interest. The Resulting Issuer will rely upon such laws in respect of any such conflict of interest or in respect of any breach of duty by any of the Resulting Issuer's directors or officers. Any such conflicts are required to be disclosed by such directors or officers in accordance with the BCBCA and the directors of the Resulting Issuer are required to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Certain proposed directors of the Resulting Issuer are, or may in the future be, directors, officers or shareholders of other companies that are, or may in the future be, engaged in the business of, or enter into transactions with, the Resulting Issuer. Such associations and transactions may give rise to conflicts of interest from time to time.

See *"Part V - Information Concerning the Resulting Issuer – Directors, Officers and Management"*.

Risk Factors

Shares of the Resulting Issuer will be a high risk, speculative investment. Holly Street at present has no business or assets, other than that which remains of the proceeds of the initial public offering. Holly Street has no history of earnings, it has not paid any dividends and it is unlikely to pay any dividends in the immediate or foreseeable future.

Holly Street is and will be subject to certain risk factors which should be carefully considered in connection with the review of the Business Combination. See "*Part II – Risk Factors Associated with the Business Combination*" for a more detailed description of the risk factors.

Additionally, there a certain risks that the Resulting Issuer will face in its normal course of business following completion of the Business Combination, which include, but are not limited to, the following: (i) exploration risks; (ii) limited operating history risks; (iii) additional financing risks; (iv) current global financial condition risks; (v) market price risks; (vi) limited market for securities risks; (vii)

	commodity prices risks; (viii) reliability of resource estimates risks; (ix) operating and insurance risks; (x) environmental risks; (xi) land title risks; (xii) property commitments risks; (xiii) dependence on properties risks; (xiv) exploration and development risks; (xv) early stage development risks; (xvi) exploitation of future development risks; (xvii) third party reviews, reports and projections risks; (xviii) government regulation risks; (xix) reliance on management risks; (xx) conflicts of interest risks; (xxi) increasing competition risks; (xxii) management growth risks; (xxiii) dividends risks; (xxiv) internal controls risks; (xxv) liability to employees, contractors and consultants risks; (xxvi) disruption of business risks; (xxvii) public health crisis risks; (xxviii) currency rate risks; (xxix) damage to reputation risks; (xxx) substantial capital expenditures risks; (xxxi) availability of infrastructure risks; (xxxii) indigenous land title risks; (xxxiii) permits and licensing risks; (xxxiv) climate change risks; (xxxv) disruption from non-governmental organizations risks; (xxxvi) health and safety risks; and (xxxvii) operating hazard risks.
Conditional Approval	The Exchange has conditionally accepted the Qualifying Transaction subject to Holly Street fulfilling all of the requirements of the Exchange within 90 days from the date of conditional acceptance of the Qualifying Transaction. There can be no assurance that Holly Street and USCM will be able to satisfy the requirements of the Exchange such that the Exchange will issue the Final QT Exchange Bulletin.
Interest of Experts	C&C, are the auditors of Holly Street and Clearhouse are the current auditors of USCM. Except as disclosed herein, none of the foregoing persons or any of their respective directors, officers or employees beneficially own, directly or indirectly, any securities, nor do they have any interest in the property, of Holly Street, USCM, the Resulting Issuer or any of their Associates or Affiliates.

PART I – INFORMATION CONCERNING THE BUSINESS COMBINATION

The following is a summary of the material terms of the Business Combination Agreement. This summary does not purport to be a complete summary of the Business Combination Agreement and is qualified in its entirety by reference to the full text of the Business Combination Agreement, a copy of which is available for review under Holly Street's SEDAR profile at www.sedar.com.

The Business Combination

The parties to the Business Combination are Holly Street, USCM and the USCM Vendors. The Business Combination is an Arm's Length Transaction as neither USCM nor any of the USCM Vendors are "related parties" (as defined in by the Exchange Policies) to Holly Street or its Affiliates and Associates, and Holly Street is not a related party to either USCM or the USCM Vendors or any of their Affiliates and Associates. Certain USCM Vendors are also Holly Street Shareholders, however, none of such shareholders are considered a related party under the Exchange Policies.

Pursuant to the terms of the Business Combination Agreement, Holly Street has agreed to purchase all of the issued and outstanding securities of USCM from the USCM Vendors in exchange for: (a) 1 Payment Share for every 1 USCM Share held by each USCM Shareholder; and (b) 1 Resulting Issuer Replacement Warrant for each 1 USCM Warrant held by each USCM Warrantholder, on the same terms and conditions as the USCM Warrants. The Business Combination is intended to constitute the Qualifying Transaction. The terms of the Business Combination Agreement require Holly Street and USCM to complete a non-brokered offering of Holly Street Post-Consolidation Units for minimum aggregate gross proceeds of $2,000,000 at a price of not less than $0.25 per Holly Street Post-Consolidation Unit prior to, or concurrently with, Closing.

The Business Combination Agreement

The Business Combination will be effected in accordance with the Business Combination Agreement, a copy of which has been filed by Holly Street on SEDAR at www.sedar.com as a material document. The Business Combination Agreement contains certain representations and warranties made by each of Holly Street and USCM in respect of the assets, liabilities, capital, financial position and operations of Holly Street and USCM, respectively. In addition, each of Holly Street and USCM provide covenants which govern the conduct of their operations and affairs prior to the Closing. The Business Combination Agreement contains a number of conditions precedent to the obligations of the parties thereunder. Unless all of such conditions are satisfied or waived by the Party or Parties for whose benefit such conditions exist, to the extent they may be capable of waiver, the Business Combination will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all.

Covenants

Holly Street and USCM have each given to the other the usual and customary covenants in respect of the Business Combination to cooperate fully with each other and to use commercially reasonable efforts to:

(a) satisfy the conditions precedent to the obligations under the Business Combination Agreement and take all other actions necessary to complete the Qualifying Transaction;

(b) not take any action that is inconsistent with the Business Combination Agreement or would reasonably be expected to significantly impede the Completion of the Qualifying Transaction;

(c) complete, or assist in the completion of, the Financing;

(d) preserve Holly Street's and USCM's assets and carry on each business in the ordinary course, except as contemplated by the Business Combination Agreement; and

(e) Obtain the necessary approvals for the completion of the Qualifying Transaction as expeditiously as possible.

Save and except as set out in the Business Combination Agreement, Holly Street and USCM have agreed to bear their own costs in connection with the Business Combination.

Conditions to the Business Combination

<u>Mutual Conditions</u>

The respective obligations of Holly Street and USCM to consummate the transactions contemplated by the Business Combination Agreement are subject to the satisfaction, on or before the Effective Date, or such other time specified, of certain conditions including, but not limited to, the following (collectively, the "**Mutual Conditions**"):

(a) All necessary regulatory approvals shall have been obtained for the Completion of the Qualifying Transaction, including conditional approval from the Exchange with respect to: (i) the Business Combination and the listing of the Payment Shares and the Resulting Issuer Shares underlying the Replacement Warrants; and (ii) the listing of the Holly Street Post-Consolidation Shares and the Resulting Issuer Warrant Shares issuable pursuant to the Financing;

(b) There shall not exist any prohibition at law against, and there shall not be in force any order or decree restraining or enjoining, the Completion of the Qualifying Transaction;

(c) There shall not be threatened in writing, instituted or pending any *bona fide* action or proceedings before any court or Governmental Entity: (i) challenging or seeking to make illegal, or to delay or otherwise directly or indirectly restrain or prohibit, the consummation of the transactions contemplated by the Business Combination Agreement or seeking to obtain material damages in connection with the transactions contemplated under the Business Combination Agreement; (ii) seeking to prohibit direct or indirect ownership or operation by Holly Street of all or a material portion of the business or assets of USCM, or to compel Holly Street or USCM to dispose of or to hold separately all or a material portion of the business or assets of USCM, as a result of the transactions contemplated under the Business Combination Agreement; (iii) seeking to invalidate or render unenforceable any material provision of the Business Combination Agreement or any of the other agreements attached as exhibits to, or contemplated by, the Business Combination Agreement; or (iv) otherwise relating to and materially adversely affecting the Qualifying Transaction;

(d) There shall not be any action taken, or any statute, rule, regulation, judgement, order or injunction proposed, enacted, entered, enforced, promulgated, issued or deemed applicable to the transactions contemplated hereby, by any federal, state or other court, government or Governmental Entity, that would reasonable be expected to result, directly or indirectly, in any of the consequences referred to in paragraph (c) above;

(e) The Financing shall have been completed;

(f) The distribution of Payment Shares pursuant to the Share Exchange shall be exempt from prospectus requirements, and from applicable takeover bid rules under applicable Securities Laws either by virtue of exceptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to a four-month hold period under applicable Securities Laws;

(g) The issuance of all Payment Shares and Resulting Issuer Replacement Warrants contemplated hereunder to be issued pursuant to the Business Combination Agreement in the United States or to U.S. Persons shall be exempt from the registration requirements of the U.S. Securities Act and all applicable state securities laws; and

(h) USCM and Holly Street shall have provided to the other such audited and pro-forma financial statements as required under the Business Combination Agreement.

Additional Conditions to the Obligations of Holly Street

The obligation of Holly Street to consummate the transactions contemplated pursuant to the Business Combination Agreement are subject to certain conditions including, but not limited to, the following (collectively, the "**Holly Street Conditions**"):

(a) the representations and warranties of USCM contained in the Business Combination Agreement must be accurate in all material respects as of Closing with the same effect as though such representations and warranties had been made as of such time;

(b) USCM shall have fulfilled or complied in all material respects with each of its covenants contained in the Business Combination Agreement to be fulfilled or complied with by USCM on or prior to the Closing;

(c) USCM shall have furnished to Holly Street a certificate, executed by two senior officers of USCM and dated as of the Closing Date, in which such officers shall certify that, to the best of their knowledge, the conditions set forth in Sections 5.3(a) and 5.3(b) of the Business Combination Agreement have been fulfilled;

(d) Each of the acts and undertakings to be performed by the USCM Vendors or USCM on or prior to the Closing Date pursuant to the Business Combination Agreement shall have been duly performed by the USCM Vendors or USCM, as applicable;

(e) USCM shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by USCM to permit the completion of the Qualifying Transaction;

(f) If required by the Exchange, USCM shall have delivered a sponsor report satisfactory to the Exchange;

(g) If required by the Exchange, USCM shall have delivered an independent valuation satisfactory to the Exchange;

(h) USCM shall have delivered a title report for each of the Haynes Property and the Clayton Ridge Property, in the form and substance satisfactory to Holly Street, acting reasonably;

(i) The USCM Vendors shall have tendered all, but not less than all, of the USCM Shares, accompanied by duly executed share transfer forms and associated USCM Share and USCM Warrant certificates, if any, such that Holly Street shall, immediately after the Closing, be the sole shareholder of the entire issued share capital of USCM;

(j) Between the date of the Business Combination Agreement and Closing, no action, suit or proceeding shall have been taken before or by and Person against USCM or US Energy that would, if successful have a material adverse effect on USCM, in the sole discretion of Holly Street, acting reasonably;

(k) The Resulting Issuer Escrow Agreement, pursuant to which the Payment Shares or Resulting Issuer Replacement Warrants issued to certain USCM Vendors under the Business Combination Agreement will be held in escrow pursuant to the policies of the Exchange, shall have been executed and delivered by such USCM Vendors as may be required by the Exchange; and

(l) On or before February 15, 2022, Holly Street or its legal counsel, as applicable, shall have received duly completed subscription agreements and funds representing the gross proceeds to Holly Street of at least $2,000,000 pursuant to the Financing. Notwithstanding the foregoing, in the event that an extension is requested by USCM, Holly Street shall not unreasonably withhold granting an extension to March 4, 2022, provided that USCM has made significant progress to completing the Financing.

Additional Conditions to the Obligations of USCM and the USCM Vendors

The obligation of USCM to consummate the transactions contemplated pursuant to the Business Combination Agreement are subject to certain conditions including, but not limited to, the following (collectively, the "**USCM Conditions**"):

(a) the representations and warranties of Holly Street contained in the Business Combination Agreement must be accurate in all material respects as of Closing with the same effect as though such representations and warranties had been made as of such time;

(b) Holly Street shall have fulfilled or complied in all material respects with each of its covenants contained in the Business Combination Agreement to be fulfilled or complied with by Holly Street on or prior to the Closing;

(c) Holly Street shall have furnished to USCM a certificate, executed by two senior officers of Holly Street and dated as of the Closing Date, in which such officers shall certify that, to the best of their knowledge, the conditions set forth in Sections 5.2(a) and 5.2(b) of the Business Combination Agreement have been fulfilled;

(d) All other necessary corporate action shall have been taken by Holly Street to permit the consummation of the Financing, Consolidation, Name Change, Share Exchange and the appointment of the Contingent Board as at or prior to Closing;

(e) All consents and approvals, which are required or necessary to be obtained by Holly Street for the completion of the transactions contemplated under the Business Combination Agreement shall have been obtained, received or waived;

(f) Holly Street shall have obtained all requisite shareholder approval for the Contingent Board appointments at the Holly Street Meeting;

(g) The Consolidation and Name Change and any other corporate changes, reasonably requested by USCM, shall each have been completed;

(h) No Material Adverse Effect affecting the business, affairs, assets, financial condition, or operations of Holly Street shall have occurred between the date of the Business Combination Agreement and Closing;

(i) Between the date of the Business Combination Agreement and Closing, no action, suit or proceeding shall have been taken before or by any Person against Holly Street that would, if successful, have a material adverse effect on Holly Street, in the sole discretion of USCM, acting reasonably;

(j) Immediately prior to Closing, each of the officers and directors of Holly Street shall deliver duly executed resignations from their positions with Holly Street and mutual releases effective with the Completion of the Qualifying Transaction;

(k) The Contingent Board shall have been appointed as the Holly Street Board at the Effective Time;

(l) The management of Holly Street shall have been reconstituted such that all members of the management team shall be nominees of USCM;

(m) Holly Street shall have delivered all applicable closing deliveries pursuant to Section 8.3 of the Business Combination Agreement; and

(n) Holly Street shall have delivered to each Vendor or, to the extent required by the Exchange, to the Escrow Agent, certificates or DRS statements duly registered in the name of such Vendor evidencing the number of Payment Shares to which such Vendor is entitled pursuant to the Business Combination Agreement.

Representations and Warranties

The Business Combination Agreement contains representations and warranties made by each of Holly Street, USCM and the USCM Vendors. The assertions embodied in those representations and warranties are solely for the purposes of the Business Combination Agreement. Certain representations and warranties may not be accurate or complete as of any specified date because they are subject to a standard of materiality or are qualified by a reference to the concept of an "adverse effect" or "adverse change". Therefore, the representations and warranties in the Business Combination Agreement should not be relied on as statements of factual information.

The Business Combination Agreement contains representations made by each of Holly Street, USCM and the USCM Vendors relating to certain matters, including, among other things: incorporation; absence of conflict with or violation of constating documents, agreements or Applicable Laws; authority to execute and deliver the Business Combination Agreement and perform its obligations thereunder; due authorization and enforceability of the Business Combination Agreement; composition of share capital; options or other rights for the purchase of securities; financial condition, records and accounts; assets and conduct of operations; absences of litigation, judgement or order; employment matters; reporting issuer and listing status; and matters related to the Business Combination.

Standstill

During the period commencing on the date of the Business Combination Agreement and continuing until the earlier of: (i) the Closing Date; (ii) the date upon which the Business Combination Agreement is terminated pursuant to a termination event described below; or (iii) the date that any statute, rule, policy or regulation currently in existence or which shall have been proposed, enacted, promulgated or entered into by any regulatory or administrative authority having jurisdiction on the date of the Business Combination Agreement, in the judgement of the parties, acting reasonably, makes the transactions contemplated under the Business Combination Agreement illegal or unduly delays the Completion of the Qualifying Transaction:

(a) Holly Street and USCM, as the case may be, will not, directly or indirectly, alone or jointly or in concert with any other Person (accept as otherwise mutually agreed): (i) acquire or agree to acquire, or make any proposal or make any offer to acquire, in any manner, either directly or indirectly, any assets or securities of the other parties to the Business Combination Agreement or any Subsidiaries thereof, including, without limitation, commencing any "take-over bid" (as defined in the BCBCA or the Securities Act) for any securities of the other parties to the Business Combination Agreement (provided that such restrictions shall not be interpreted to prohibit the parties to the Business Combination Agreement or their Affiliates from continuing to conduct business with the other parties to the Business Combination Agreement in the ordinary course and consistent with past practice); (ii) solicit proxies from, or otherwise attempt to influence the conduct of, holders of securities of the other parties to the Business Combination Agreement; (iii) form, join or in any way participate as a "control person" (as defined in the Securities Act) with respect to the equity of the other parties to the Business Combination Agreement; or (iv) engage in any discussions or negotiations or enter into any agreement, commitment or understanding, or otherwise act jointly or in concert with any third party to propose or effect any business combination, equity or asset transaction of any nature or kind with respect to the other parties to the Business Combination Agreement or their Affiliates, or to influence the conduct of the other parties to the Business Combination Agreement, their Affiliates or directors; and

(b) Neither Holly Street nor USCM will provide or cause to be provided any information with respect itself or its Subsidiaries, or directly or indirectly solicit, initiate, entertain or consider any offer, negotiation or expression or intent or in any manner encourage, recommend or agree to any proposal or offer of any other potential transaction or otherwise cooperate with, assist or participate in, facilitate or encourage any effort or attempt with respect to: (i) the sale or issuance of any shares or securities convertible into shares of the party or its Subsidiaries other than as therein contemplated or pursuant to the exercise of presently outstanding options or share purchase warrants, without prior written consent of the other party; (ii) the sale, disposition or exchange or assets of the party or its Subsidiaries outside the ordinary course of business without the prior written consent of the other party; or (iii) the entering into of any material agreement or understanding outside of the ordinary course of business of the party without the prior written consent of the other party.

Termination Events

The Business Combination Agreement may be terminated in the following instances:

(a) by mutual agreement in writing by USCM and Holly Street;

(b) by USCM or Holly Street by written notice to the other if the Completion of the Qualifying Transaction does not occur prior to the Outside Date, unless the failure to complete the Qualifying Transaction by such date is the result, directly or indirectly, of a breach of the Business Combination Agreement by the party seeking to terminate the Business Combination Agreement, in which case the Business Combination Agreement shall not be terminated; and

(c) by USCM or Holly Street by written notice to the other if any of the Mutual Conditions shall not have been satisfied on Closing, or an earlier date if required for the performance of such Mutual Condition, where the failure to satisfy any such Mutual Condition is not the result, directly or indirectly, of a breach of the Business Combination Agreement by the party terminating the Business Combination Agreement, as set out in Section 5.1 of the Business Combination Agreement;

(d) by Holly Street by written notice to USCM if any of the Holly Street Conditions shall not have been satisfied by USCM on Closing, or an earlier date if required for the performance of such Holly Street Condition, where the failure to satisfy any such Holly Street Condition is not the result, directly or indirectly, of a breach of the Business Combination Agreement by USCM, as set out in Section 5.2 of the Business Combination Agreement; and

(e) by USCM by written notice to Holly Street if any of the USCM Conditions shall not have been satisfied by Holly Street on Closing, or an earlier date if required for the performance of such USCM Condition, where the failure to satisfy any such USCM Condition is not the result, directly or indirectly, of a breach of the Business Combination Agreement by Holly Street, as set out in Section 5.3 of the Business Combination Agreement.

Escrow Restrictions

Certain of the Payment Shares and Resulting Issuer Replacement Warrants issuable pursuant to the Business Combination Agreement may be subject to escrow restrictions pursuant to the Resulting Issuer Escrow Agreement and will be released from escrow upon the passage of time in accordance with the policies of the Exchange. Each Vendor whose Payment Shares and Resulting Issuer Replacement Warrants are subject to such escrow will: (i) execute the Resulting Issuer Escrow Agreement in the form required by the Exchange; or (ii) be subject to certain "seed share resale restrictions" as contemplated in the policies of the Exchange and the certificates representing such Payment Shares shall include a legend setting forth any such restrictions.

Directors and Management

In connection with the Business Combination, all of the current directors and officers of Holly Street will resign in favour of nominees of USCM. USCM's nominees for directors are Darren Collins, Marco Montecinos, Peter Simeon and Scott Benson. Darren Collins will be appointed as Chief Executive Officer and Keith Li will be appointed as Chief Financial Officer and Corporate Secretary.

Agreement Finder Shares

In connection with the Business Combination, the Agreement Finder will be issued the Agreement Finder Shares.

PART II – RISK FACTORS

The current business of USCM will be the business of the Resulting Issuer following Completion of the Qualifying Transaction. Accordingly, risk factors relating to USCM's current business will be risk factors relating to the Resulting Issuer's business. Due to the nature of the Resulting Issuer's business, the legal and economic climate in which it operates and its present stage of development and proposed operations, the Resulting Issuer will be subject to significant risks. The Resulting Issuer's future development and actual operational results may be very different from those expected as at the date of this Filing Statement. Readers should carefully consider all such risks, which include but are not limited to the following.

The following is a summary of certain risk factors relating to the Qualifying Transaction and to the business of the Resulting Issuer and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Filing Statement.

Risk Factors Relating to the Business Combination

Completion of the Qualifying Transaction and Exchange Approval

The Completion of the Qualifying Transaction is subject to several conditions precedent. There can be no assurance that the Qualifying Transaction will be completed on the terms set out in the Business Combination Agreement, as negotiated, or at all. In the event that any of the conditions precedent are not satisfied or waived, the Qualifying Transaction may not be completed. In addition, there is no guarantee that the Resulting Issuer will be able to satisfy the requirements of the Exchange such that it will issue the Final QT Exchange Bulletin.

Termination of the Business Combination in Certain Circumstances

Each of Holly Street and USCM has the right to terminate the Business Combination Agreement in certain circumstances. Accordingly, there is no certainty, nor can the parties provide any assurances that the Business Combination Agreement will not be terminated by either Holly Street or USCM before the Completion of the Qualifying Transaction. In addition, the Completion of the Qualifying Transaction is subject to a number of conditions precedent, certain of which are outside the control of Holly Street and

USCM, including shareholder and regulatory approvals as applicable. See *"Part I – Information Concerning the Business Combination – Conditions to the Business Combination"*. There is no certainty that these conditions will be satisfied on a timely basis or at all.

Tax Consequences

The transactions described herein may have tax consequences in Canada, or elsewhere, depending on each particular existing or prospective shareholder's specific circumstances. Such tax consequences are not described herein and this Filing Statement is not intended to be, nor should it be construed to be, legal or tax advice to any particular shareholder. Existing and prospective shareholders should consult their own tax advisors with respect to any such tax considerations.

Risk Factors Relating to the Resulting Issuer

Upon completion of the Business Combination, the current business of USCM will largely become the business of the Resulting Issuer. As such, the future operations of the Resulting Issuer will be subject to risks incidental to the nature of the business and the legal and economic climate in which USCM operates and intends to operate. There are numerous and varied risks, known and unknown, that may prevent the Resulting Issuer from achieving its goals. If any of these risks occur, the Resulting Issuer's business, financial condition or results of operations may be adversely affected. In any such case, the trading price of the Resulting Issuer Shares could decline, and investors could lose all or part of their investment. The following is a summary of risks that could be applicable to the business of the Resulting Issuer.

Exploration Risks

Mining operations generally involve a high degree of risk. The Resulting Issuer's operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral-bearing structure may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Resulting Issuer will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; mineral prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Resulting Issuer not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Resulting Issuer towards the search and evaluation of minerals will result in discoveries of commercial quantities of minerals.

Limited Operating History

USCM does not have any history of earnings or profitability. The Resulting Issuer has not yet undertaken any work on the Haynes Property nor the Clayton Ridge Property. The likelihood of success of the Resulting Issuer must be considered in light of the problems, expenses, difficulties, complication and delays frequently encountered in connection with the establishment of any business particularly in the junior mineral exploration sector. The Resulting Issuer will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Resulting Issuer will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Because USCM has a limited operating history, investors should consider and evaluate the Resulting Issuer's operating prospects in light of the risks and uncertainties frequently encountered by early-stage companies in rapidly evolving markets. These risks may include:

- risks that it may not have sufficient capital to achieve its growth strategy;
- risks that its growth strategy may not be successful; and
- risks that fluctuation in its operating results will be significant relative to its revenues.

The Resulting Issuer's future growth will depend substantially on its ability to address this and other risks described in this section. If it does not successfully address these risks, its business may be significantly harmed.

Additional Financing

USCM believes that its raised capital and the net proceeds from the Financing will be sufficient to meet the Resulting Issuer's presently anticipated working capital and capital expenditure requirements for the near future. This belief is based on its operating plan which, in turn, is based on assumptions, which may prove to be incorrect. In addition, the Resulting Issuer may need to raise significant additional funds sooner to support its growth, respond to competitive pressures, acquire or invest in complementary or competitive businesses or technologies, or take advantage of unanticipated opportunities. If its financial resources are insufficient, it will require additional financing to meet its plans for expansion. The Resulting Issuer cannot be sure that this additional financing, if needed, will be available on acceptable terms or at all.

Furthermore, any debt financing, if available, may involve restrictive covenants, which may limit its operating flexibility with respect to business matters. If additional funds are raised through the issuance of equity securities, the percentage ownership of existing shareholders will be reduced, such shareholders may experience additional dilution in net book value, and such equity securities may have rights, preferences or privileges senior to those of its existing shareholders. If adequate funds are not available on acceptable terms or at all, the Resulting Issuer may be unable to develop or enhance its properties, take advantage of future opportunities, or respond to competitive pressures, any of which could have a material adverse effect on its business, prospects, financial condition, and results of operations.

Volatile Global Financial and Economic Conditions

Current global financial and economic conditions remain extremely volatile and unpredictable, which may impact the Resulting Issuer's ability to obtain financing in the future on favourable terms or obtain any financing at all. Additionally, negative global economic conditions may cause a long-term decrease in asset values. If such global volatility and market turmoil recur or continue, the Resulting Issuer's operations and financial condition could be adversely impacted.

The Market Price of Securities is Volatile and may not Accurately Reflect the Long-Term Value of the Resulting Issuer

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of Resulting Issuer Shares to sell their securities at an advantageous price. Market price fluctuations in the Resulting Issuer Shares may be due to the Resulting Issuer's operating results failing to meet expectations of securities analysts or investors in any period, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Resulting Issuer or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Resulting Issuer Shares.

Financial markets historically experience significant price and volume fluctuations at times, which have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Resulting Issuer Shares may decline even if the Resulting Issuer's results, underlying asset values or prospects have not changed.

Additionally, these factors, as well as other related factors, may cause decreases in investment values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Resulting Issuer's operations could be adversely impacted, and the trading price of the Resulting Issuer Shares may be materially adversely affected.

Limited Market for Securities

There can be no assurance that an active and liquid market for the Resulting Issuer Shares will develop or be maintained, and an investor may find it difficult to resell any securities of the Resulting Issuer.

Commodity Prices

The price of the Resulting Issuer Shares, its financial results, and exploration and development activities may in the future be significantly adversely affected by declines in the price of minerals. The price of minerals fluctuates widely and is affected by numerous factors beyond the Resulting Issuer's control, such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of minerals could cause development of and commercial production from the Resulting Issuer's properties to be impracticable. Future production from the Resulting Issuer's mineral exploration properties is dependent upon the prices of minerals being adequate to make these properties economic.

In addition to adversely affecting the Resulting Issuer's financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Reliability of Resource Estimates

There is no certainty that any mineral resources identified in the future on any of the Resulting Issuer's properties will be realized. Until a deposit is actually mined and processed, the quantity of mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral resources may vary depending on, among other things, metal prices. Any material change in quantity of mineral resources, grade or stripping ratio may affect the economic viability of any project undertaken by the Resulting Issuer. In addition, there can be no assurance that mineral recoveries in small-scale laboratory tests will be duplicated in a larger scale test under on-site conditions or during production.

Fluctuations in mineral prices, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate.

Any material reductions in estimates of mineral resources could have a material adverse effect on the Resulting Issuer's results of operations and financial condition from time to time.

Operating Risks and Insurance Coverage

No assurance can be given that insurance will be adequate to cover the Resulting Issuer's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Resulting Issuer were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Resulting Issuer were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Environmental Risks and Hazards

All phases of the Resulting Issuer's operations will be subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Resulting Issuer's operations. Environmental hazards may exist on the properties on which the Resulting Issuer holds interests which are unknown to the Resulting Issuer, and which have been caused by previous or existing owners or operators of the properties.

Government approvals and permits will, and may in the future, be required in connection with the Resulting Issuer's operations. To the extent such approvals are required and not obtained, the Resulting Issuer may be curtailed or prohibited from continuing its exploration or mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with Applicable Laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of Applicable Laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Land Title

No assurances can be given that there are no title defects affecting any property interests of the Resulting Issuer. Title insurance generally is not available, and the Resulting Issuer's ability to ensure that it has obtained secure claims, with clear title, to individual mineral properties or mining concessions may be severely constrained. Furthermore, the Resulting Issuer has not conducted surveys of the claims in which it holds an interest and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Resulting Issuer's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Resulting Issuer may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

The Resulting Issuer’s properties include unpatented mining claims. Unpatented mining claims are unique property interests and are generally considered to be subject to greater risk than other real property interests because the validity of unpatented mining claims is often uncertain. Unpatented mining claims provide only possessory title and their validity may be subject to contest by third parties or the federal government. These uncertainties relate to such things as the sufficiency of mineral discovery, proper posting and marking of boundaries, assessment work and possible conflicts with other claims not determinable from descriptions of record. There may be challenges to the title to our property, which could prove both time consuming and costly to defend. Additionally, if valuable mineral deposits are discovered on our property, a successful challenge to title could adversely impact exploration, extraction, development, operations and the value of assets, future earnings and revenue potential. The Resulting Issuer’s limited investigation of the status of title to the Resulting Issuer’s properties should not be construed as a guarantee of title. Title to such Haynes Property claims may be challenged by a third party. The Resulting Issuer’s interests may be subject to unregistered agreements or transfers or may be affected by undetected defects.

Property Commitments

The Resulting Issuer's mineral properties and/or interests may be subject to various land payments, royalties and/or work commitments. Failure by the Resulting Issuer to meet its payment obligations or otherwise fulfill its commitments under these agreements could result in the loss of the Resulting Issuer’s property interests.

Certain claims on the Haynes Property have been identified as being situated within a withdrawal for federal Power Project 235. Power Project 235 was rejected on February 21, 1927 and the land was vacated by letter dated April 30, 1986 to the BLM. On December 5, 2017, the Federal Energy Regulatory Commission of the United States further confirmed that such claims of the Haynes Property are not included in any identified project operating, or being constructed, under licenses issued under the Federal Power Act and are available for mineral entry purposes pursuant to the rights established under the Mining Claims Rights Restoration Act of 1955. The Mining Claims Rights Restoration Act of 1955 provides that all claims located after its effective date within a withdrawn/reserved area for public power purposes (such as the area withdrawn under Power Project 235) remain subject to the government’s right to develop power projects without liability to the claimant for damage/destruction/loss of mining claims and/or improvements related thereto. As such, the US federal government could reclaim such claims for purposes of a power project. If a power project is reinstated within the previously withdrawn area, there would be a significant risk that the claims could be undermined and/or removed entirely, depending on the injury to the power project as determined by the US federal government, which could have adverse impacts on the Resulting Issuer’s ability to operate on such claims and future financial results.

Dependence on the Haynes Property and Clayton Ridge Property

Presently, the Haynes Property and Clayton Ridge Property will account for all of the Resulting Issuer’s future revenue. Any adverse development affecting the progress of the Haynes Property or Clayton Ridge Property such as, but not limited to, obtaining development financing on commercially suitable terms, hiring suitable personnel and mining contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Resulting Issuer’s financial performance and results of operations. Ongoing activity at the Haynes Property and Clayton Ridge Property will be undertaken without established mineral resources or mineral reserves and the economic viability of the operations on either project have not been established.

Exploration and Development Risk

The Haynes Property and Clayton Ridge Property are in the exploration stage will require extensive expenditures during the exploration stage. The vast majority of properties which are explored are not ultimately developed into producing mines. There is no assurance that the Resulting Issuer’s mineral exploration and development activities will result in any discoveries of mineral resources or mineral reserves, or that minerals will be discovered in sufficient grade or quantities to justify commercial operations. The long-term profitability of the Resulting Issuer's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Early Stage Development

On Completion of the Qualifying Transaction, the Resulting Issuer will be in the business of mineral exploration, with the ultimate goal of producing, achieving commercial production. Haynes Property and Clayton Ridge Property will not have commenced commercial production and the Resulting Issuer will have no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that the Resulting Issuer will be able to develop the Haynes Property and Clayton Ridge Property profitably or that its activities will generate positive cash flow. The Resulting Issuer will not have paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate or foreseeable future. The Resulting Issuer will have limited cash and other assets. A prospective investor in the Resulting Issuer must be prepared to rely solely upon the ability, expertise, judgment, discretion, integrity and good faith of the Resulting Issuer's management in all aspects of the development and implementation of the Resulting Issuer's business activities.

Ability to Exploit Future Developments

It may not always be possible for the Resulting Issuer to participate in the exploitation of successful discoveries. Such exploitation may involve the need to obtain licenses or clearance from the relevant authorities, which may not be available on a timely basis or may require conditions to be satisfied and/or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied, and such conditions may prove uneconomic or not practical. Furthermore, the decision to proceed to further exploration may require the participation of other companies whose interest and objectives may not be consistent with those of the Resulting Issuer. Such further exploitation may also require the Resulting Issuer to meet or commit to financial obligations which it may not have anticipated or may not be able to commit to due to a lack of funds or an inability to raise funds.

Deficient Third Parties' Reviews, Reports and Projections

The Resulting Issuer relies upon third parties to provide analysis, reviews, reports, advice and opinions regarding the Resulting Issuer's projects. There is a risk that such analysis, reviews, reports, advice, opinions and projects are inaccurate, in particular with respect to resource estimation, process development and recommendations for products to be produced as well as with respect to economic assessments including estimating the capital and operation costs of the Resulting Issuer's project and forecasting potential future revenue streams. Uncertainties are also inherent in such estimations.

Government Regulation

The Resulting Issuer's current and future operations, from exploration through development activities and commercial production, if any, are and will be governed by Applicable Laws and regulations governing mineral claims acquisition, prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities, generally experience increased costs and delays in production and other schedules as a result of the need to comply with Applicable Laws, regulations and permits. The Resulting Issuer has received all necessary permits for the exploration work it is presently conducting; however, there can be no assurance that all permits which the Resulting Issuer may require for future exploration, construction of mining facilities and conduct of mining operations, if any, will be obtainable on reasonable terms or on a timely basis or at all, or that such laws and regulations would not have an adverse effect on any project which the Resulting Issuer may undertake.

Failure to comply with Applicable Laws, regulations and permits may result in enforcement actions thereunder, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Resulting Issuer may be required to compensate those suffering loss or damage by reason of its mineral exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits.

Existing and possible future laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have an adverse impact on the Resulting Issuer and cause increases in capital expenditures or require abandonment or delays in exploration.

Reliance on Management

The success of the Resulting Issuer will be dependent on the performance of its senior management and members of the board of directors. The loss of services of these persons would have a material adverse effect on the Resulting Issuer’s business and prospects in the short-term. There is no assurance the Resulting Issuer will be able to maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Resulting Issuer and its prospects.

Conflicts of Interest

Certain directors and officers of the Resulting Issuer may also be directors, officers, or shareholders of other companies in the mineral exploration industry and in other industries, which may give rise to conflicts of interest from time-to-time. The directors of the Resulting Issuer will be required by law to act honestly and in good faith with a view to the best interests of the Resulting Issuer and to disclose any interest that they may have in any project or opportunity of the Resulting Issuer. If a conflict of interest arises at a meeting of the board or directors, any director in a conflict is required under the applicable corporate laws to disclose his interest and to abstain from voting on such matter.

Risks Associated with Increasing Competition

The mining industry is competitive in all of its phases. The Resulting Issuer will face strong competition from other mining companies in connection with the acquisition of properties prospective for precious and base metals, and for technical and exploration personnel who can help advance such properties. Many of these companies will have greater financial resources, operational experience and technical capabilities than the Resulting Issuer. As a result of this competition, the Resulting Issuer may be unable to maintain or acquire additional attractive mining properties on terms it considers acceptable or at all. Consequently, the Resulting Issuer’s revenues, operations and financial condition could be materially adversely affected.

Management of Growth

The Resulting Issuer may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Resulting Issuer to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Resulting Issuer to deal with this growth may have a material adverse effect on the Resulting Issuer’s business, financial condition, results of operations and prospects.

Dividends

The Resulting Issuer will have no earnings or dividend record and does not anticipate paying any dividends on the Resulting Issuer’s common shares in the future.

Internal Controls

Effective internal controls are necessary for the Resulting Issuer to provide reliable financial reports and to help prevent fraud. Although the Resulting Issuer will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Resulting Issuer under Canadian securities law, the Resulting Issuer cannot be certain that such measures will ensure that the Resulting Issuer will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Resulting Issuer's results of operations or cause it to fail to meet its reporting obligations. If the Resulting Issuer or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Resulting Issuer's financial statements and materially adversely affect the trading price of the Resulting Issuer's common shares.

Liability for Activity of Employees, Contractors and Consultants

The Resulting Issuer could be liable for fraudulent or illegal activity by its contractors and consultants resulting in significant financial losses to claims or regulatory enforcement actions against the Resulting Issuer. Failure to comply with relevant laws could result in fines, suspension of licenses and civil or criminal action being taken against the Resulting Issuer. Consequently, the Resulting Issuer will be subject certain risks, including the risk that contractors and consultants may inadvertently fail to follow the law or purposefully neglect to follow the law, either of which could result in material adverse effects to the financial condition of the Resulting Issuer.

Disruption of Business

Conditions or events including, but not limited to, those listed below could disrupt the Resulting Issuer's operations and/or increase operating expenses, resulting in delayed performance of contractual obligations or require additional expenditures to be incurred: (i) extraordinary weather conditions or natural disasters including, but not limited to, hurricanes, tornadoes, floods, fires, extreme heat, and earthquakes; (ii) a local, regional, national or international outbreak of a contagious disease, including COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu, or any other similar illness could result in a general or acute decline in economic activity (see also, *"Public Health Crises"* below); (iii) political instability, social or labour unrest, war or terrorism; or (iv) interruptions in the availability of basic commercial and social services and infrastructure including power and water shortages, and shipping and freight forwarding services including via air, sea, rail and road.

Public Health Crises

The Resulting Issuer's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics, pandemics or other health crises beyond its control, including the current outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a global health emergency. Many governments have likewise declared that the COVID-19 outbreak in their jurisdictions constitutes an emergency. Reactions to the spread of COVID-19 have led to, among other things, significant restrictions on travel, business closures, quarantines and a general reduction in consumer activity. While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot be reasonably estimated at this time.

Such public health crises can result in volatility and disruptions in the supply and demand for various products and services, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect interest rates, credit ratings, credit risk and inflation. The risks to the Resulting Issuer of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak. At this point, the extent to which COVID-19 may impact the Resulting Issuer is uncertain; however, it is possible that COVID-19 may have a material adverse effect on the Resulting Issuer's business, results of operations and financial condition.

Foreign Currency Rate Risk

A portion of the Resulting Issuer's revenue may be earned in United States dollars. Fluctuations in the exchange rate between the Canadian dollar and the United States dollar may have an adverse effect on the Resulting Issuer's business, financial condition and operating results.

Damage to the Resulting Issuer's Reputation

There has been a marked increase in the use of social media platforms and similar channels, including weblogs (blogs), social media websites and other forms of Internet-based communications that provide individuals with access to a broad audience of consumers and other interested persons. The availability and impact of information on social media platforms is virtually immediate and many social media platforms publish user-generated content without filters or independent verification as to the accuracy of the content posted. The opportunity for dissemination of information, including inaccurate information, is seemingly limitless and readily available. Information, opinions and statements concerning the Resulting Issuer may be posted on such platforms at any time. Information posted may be adverse to the Resulting Issuer's interests or may be inaccurate, each of which may harm the Resulting Issuer's performance, prospects or business. Any damage to the Resulting Issuer's reputation, whether arising from the conduct of business, negative publicity, regulatory, supervisory or enforcement actions, matters affecting our financial reporting or compliance with provincial securities commissions, the Exchange, security breaches or otherwise could have a material adverse effect on the business and results of operation of the Resulting Issuer. The harm may be immediate without affording the Resulting Issuer an opportunity for redress or correction. Ultimately, the risks associated with any such negative publicity or incorrect information cannot be completely eliminated or mitigated and may materially harm the reputation, business, financial condition and results of operations of the Resulting Issuer.

Risks Related to Mining Operations

Substantial Capital Expenditures Required

Substantial expenditures are required to (i) establish mineral reserves through drilling, (ii) develop metallurgical processes to extract metal from the ore and, (iii) in the case of new properties, develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which relate to particular attributes of the deposit, such as size, grade and proximity to infrastructure, and some of which are more general factors such as metal prices and government regulations, including environmental protection. Most of these factors are beyond the control of the Resulting Issuer. In addition, because of these risks, there is no certainty that the expenditures to be made by the Resulting Issuer on the exploration of its mineral property, as described herein, will result in the discovery of commercial quantities of ore.

Adequate Infrastructure may not be Available to Develop the Haynes Property and Clayton Ridge Property

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect or inhibit the operations at the Haynes Property or the Clayton Ridge Property in respect of which the Resulting Issuer holds an interest, which may result in a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Mineral Properties may be subject to Rights of Indigenous Peoples

Various international, national, state and provincial laws, codes, resolutions, conventions, guidelines, treaties and other principles and considerations relate to the rights of indigenous peoples. The Resulting Issuer will hold exploration interests in respect of operations located in some areas presently or previously inhabited or used by indigenous peoples. Many of these impose obligations on government to respect the rights of indigenous people. Some mandate consultation with indigenous people regarding actions which may affect indigenous people, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various international and national requirements, principles and considerations pertaining to indigenous people continue to evolve and be defined. The Haynes Property and the Clayton Ridge Property in respect of which the Resulting Issuer holds an interest are subject to the risk that one or more groups of indigenous people may oppose operation or new development. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the operator's activities. Opposition by indigenous people to such activities may require modification of or preclude operation or development of projects or may require the entering into of agreements with indigenous people. Claims and protests of indigenous peoples may disrupt or delay activities of the operators of assets in respect of which the Resulting Issuer holds an exploration interest which may result in a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Permits and Licenses

Operations of the Resulting Issuer will require licences and permits from various governmental authorities. The Resulting Issuer anticipates that it will be able to obtain in the future all necessary licences and permits to carry on the activities which it intends to conduct, and that it intends to comply in all material respects with the terms of such licences and permits. However, there can be no guarantee that the Resulting Issuer will be able to obtain at all or on reasonable terms, and maintain, at all times, all necessary licences and permits required to undertake its proposed exploration and development or to place its property into commercial production and to operate mining facilities thereon.

Additional Costs may be Incurred by Mineral Property Operators as a Result of International Climate Change Initiatives

The Resulting Issuer acknowledges climate change as an international and community concern. The Resulting Issuer supports and endorses various initiatives for voluntary actions consistent with international initiatives on climate change. In addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, the Resulting Issuer expects this may result in increased costs at the Haynes Property and the Clayton Ridge Property, which could have a material impact on the viability of either or both of the Haynes Property and Clayton Ridge Property and impair the revenue derived from the interest, which could have a material adverse effect on the Resulting Issuer's profitability, results of operations and financial condition and the trading price of its securities.

Disruption from Non-Governmental Organizations

As is the case with any businesses which operate in the mining industry, the Resulting Issuer may become subject to pressure and lobbying from non-governmental organizations. There is a risk that the demands and actions of non-governmental organizations may cause significant disruption to the Resulting Issuer's business which may have a material adverse effect on its operations and financial condition.

Health & Safety

Mining, like many other exploration or extractive natural resource industries, is subject to potential risks and liabilities due to accidents that could result in serious injury or death. The impact of such accidents could affect the profitability of the operations, cause an interruption to operations, lead to a loss of licences, affect the reputation of the Resulting Issuer and its ability to obtain further licences, damage community relations and reduce the perceived appeal of the Resulting Issuer as an employer.

There is no assurance that the Resulting Issuer has been or will at all times be in full compliance with all laws and regulations or hold, and be in full compliance with, all required health and safety permits. The potential costs and delays associated with compliance with such laws, regulations and permits could prevent the Resulting Issuer from proceeding with the development of a project or the operation or further development of a project, and any noncompliance therewith may adversely affect the Resulting Issuer's business, financial condition and results of operations. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in exploration expenses, capital expenditures or production costs, reduction in the levels of production at producing properties, or abandonment or delays in development of new mining properties.

Operating Hazards and Risks

Mineral resource exploration and development and the operation of mineral processing facilities involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. These hazards include failure of equipment or processing facilities to operate in accordance with specifications or expectations, cost escalation, unavailability of materials and equipment, government or regulatory action or delays, unanticipated events related to health, safety and environmental matters, formation pressures, fires, power outages, labour disruptions, flooding, explosions, and the inability to obtain suitable or adequate machinery, equipment or labour.

Operations in which the Resulting Issuer may have a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to or destruction of property, loss of life and environmental damage. Although the Resulting Issuer plans to maintain liability insurance in an amount it considers adequate, the nature of these risks is such that liabilities might exceed any insurance policy limits, the liabilities and hazards might not be insurable or the Resulting Issuer might not elect to insure itself against such liabilities due to high premium costs or other factors. Such liabilities may have a materially adverse effect upon the Resulting Issuer's financial condition.

PART III – INFORMATION CONCERNING HOLLY STREET

The following information is presented prior to giving effect to the Qualifying Transaction as at the date hereof or as otherwise specified herein. See "*Part V - Information Concerning the Resulting Issuer*" for pro forma business, financial and share capital information relating to the Resulting Issuer.

Corporate Structure

Name and Incorporation

Holly Street was incorporated under the BCBCA on July 31, 2019. Holly Street is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario and its common shares began trading on the TSXV under the symbol "HSC.P" on December 19, 2019. The head office and registered office of Holly Street is 1500–1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia V6E 4N7.

Intercorporate Relationships

Holly Street has one inactive wholly-owned Subsidiary, 2812239 Ontario Inc.. 2812239 Ontario Inc. was incorporated in the Province of Ontario on January 29, 2021 for the purposes of completing a previously unsuccessful qualifying transaction. 2812239 Ontario Inc. will be dissolved upon Completion of the Qualifying Transaction.

General Development of the Business

Overview and History of Holly Street

Holly Street is a CPC pursuant to the policies of the TSXV. As such, Holly Street has not commenced commercial operations and has no assets other than a minimum amount of cash. Holly Street has not carried on any business other than the identification and evaluation of assets and businesses with a view to completing a proposed Qualifying Transaction in accordance with TSXV polices.

On December 17, 2019, Holly Street completed its initial public offering on the Exchange, raising gross proceeds of $250,000 through the issuance of 2,500,000 Holly Street Shares at $0.10 per share. Holly Street's common shares were approved for listing on the Exchange and commenced trading effective December 19, 2019 under the symbol "HSC.P".

Holly Street previously entered into agreements in respect of two potential qualifying transactions, both of which were subsequently terminated.

Financing

Concurrent with the Qualifying Transaction, Holly Street will complete the Financing, pursuant to which it will issue 17,142,858 Holly Street Post-Consolidation Units at a price of $0.35 per Holly Street Post-Consolidation Unit for gross proceeds of $6,000,000.30. Each Holly Street Post-Consolidation Unit will consist of 1 Holly Street Post-Consolidation Share and 1 Holly Street Post-Consolidation Warrant.

In connection with the Financing, the Finders will be issued the Finder Warrants and paid the Finder Fee.

On August 19, 2020, Holly Street closed a non-brokered private placement, from which Holly Street raised gross proceeds of $150,500 through the issuance of 3,010,000 common shares at a price of $0.05 per share.

Selected Consolidated Financial Information

The following tables set out certain selected financial information of Holly Street for the years ended September 30, 2021 and 2020 and for the interim three-month period ended December 31, 2021. The selected financial information has been derived from Holly Street's audited financial statements for the years ended September 30, 2021 and 2020 and for the interim three-month period ended December 31, 2021. The following information should be read in conjunction with Holly Street's financial statements and notes hereto attached to this Filing Statement as Appendix A. The financial results are not indicative of the results that may be expected for any other period. Holly Street's audited and unaudited interim financial statements are presented in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards.

Balance Sheet Data	**Three-Month Period Ended December 31, 2021**	**Year Ended September 30, 2021**	**Year Ended September 30, 2020**
Total assets	$218,634	$258,560	$353,022
Total non-current liabilities	-	-	-
Total expenses	$32,110	$77,669	$140,671
Less interest income	-	-	-
Loss and comprehensive loss	$(32,110)	$(77,669)	$(140,671)
Basic & diluted loss per share	$(0.00)	$(0.01)	$(0.06)
Amounts Deferred in Connection with the Qualifying Transaction	$Nil	$Nil	$Nil

Management's Discussion and Analysis

The MD&A of Holly Street for the years ended September 30, 2021 and 2020 and for the interim three-month period ended December 31, 2021 is attached hereto at Appendix B and should be read in conjunction with the respective financial statements. Such financial statements have been prepared in accordance with IFRS and all amounts included in the MD&A of Holly Street are in Canadian dollars, unless otherwise specified. For a discussion of risks and uncertainties facing Holly Street, USCM and the Resulting Issuer see "*Part II - Risk Factors Associated with the Business Combination*".

Description of Securities

Common Shares

The authorized capital of Holly Street consists of an unlimited number of common shares. As at the date hereof, there are 7,510,000 Holly Street Shares (5,006,666 Post-Consolidation Holly Street Shares) issued and outstanding as fully paid and non-assessable. The Holly Street Shares are without par value and entitle the holders thereof to receive notice of, attend and vote at all meetings of the shareholders of Holly Street. Each Holly Street Share carries one vote at such meetings. Holders of Holly Street Shares are entitled to dividends as and when declared by the Holly Street Board. In the event of the voluntary or involuntary liquidation, dissolution or winding-up of Holly Street, after payment of all outstanding debts, the remaining assets of Holly Street available for distribution will be distributed to the holders of Holly Street Shares.

Holly Street Options

As of the date hereof, there are presently 450,000 Holly Street Options outstanding with an exercise price of $0.10 per Holly Street Share, which were granted to the officers and directors of Holly Street. 337,500 of the 450,000 outstanding Holly Street Options have an expiry date of December 19, 2029. Due to the resignation of a director on July 22, 2021, the remaining 112,500 outstanding Holly Street Options will expire on July 22, 2022.

Legacy Option Plan

Pursuant to the Legacy Option Plan, a maximum of 10% of the issued and outstanding Holly Street Shares are reserved for issuance at the time a Holly Street Option is granted, except that, so long as Holly Street remains a CPC, the number of Holly Street Shares reserved for issuance under the Legacy Option Plan is limited to 10% of the issued and outstanding Holly Street Shares as at the closing of Holly Street's initial public offering. As such, as long as Holly Street is a CPC, a maximum of 450,000 Holly Street Shares may be issued under the Legacy Option Plan until Completion of the Qualifying Transaction. Options may be granted at the discretion of the Holly Street Board to eligible optionees (the "**Legacy Optionees**") under the Legacy Option Plan.

Until Holly Street completes the Qualifying Transaction and ceases to be a CPC, all Holly Street Options granted under the Legacy Option Plan will be subject to the terms and conditions of Exchange Policy 2.4.

Under the Exchange Policies, to be eligible for the issuance of a Holly Street Option under the Legacy Option Plan a Legacy Optionee must either be a director, officer or employee, a consultant, or an employee of a company providing management or other services to Holly Street or a Subsidiary at the time the Holly Street Option is granted.

Stock options under the Legacy Option Plan may be granted only to an individual or to a non-individual that is wholly owned by individuals eligible for a Holly Street Option grant. If the Holly Street Option is granted to a non-individual, it must provide the Exchange with an undertaking that it will not permit any transfer of its securities, nor issue further securities, to any individual or other entity as long as the Holly Street Option remains in effect, without the consent of the Exchange and Holly Street.

The following is a summary of the material terms of the Legacy Option Plan:

(a) for Holly Street Options granted to employees or service providers (inclusive of management company employees), Holly Street must ensure that the proposed Legacy Optionee is a *bona fide* employee or service provider (inclusive of management company employees), as the case may be, of Holly Street or any Subsidiary;

(b) no Legacy Optionee can be granted a Holly Street Option or Holly Street Options to purchase more than 5% of the outstanding listed shares of Holly Street in any one year period, unless disinterested shareholder approval is obtained;

(c) no Holly Street Options will be granted under the Legacy Option Plan to any person providing investor relation activities until Holly Street ceases to be a CPC, and upon ceasing to be a CPC, no Holly Street Option will be granted to a person providing investor relation activities, unless Holly Street issues a news release at the time of grant of Holly Street Options to a Legacy Optionee engaged in investor relation activities;

(d) Holly Street Options granted to technical consultants cannot exceed 2% of the issued and outstanding shares of Holly Street in any one year;

(e) subject to a minimum exercise price of $0.05 per Holly Street Share, the minimum exercise price of a Holly Street Option granted under the Legacy Option Plan must not be less than the Discounted Market Price (as defined in the Exchange Policies);

(f) as long as Holly Street is a CPC, the exercise price per Holly Street Share must be equal to or greater than $0.10 per Holly Street Share;

(g) any Holly Street Shares acquired pursuant to the exercise of Holly Street Options prior to the completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final QT Exchange Bulletin is issued;

(h) all Holly Street Options granted under the Legacy Option Plan are non-assignable and non-transferable and are exercisable for a period of up to 10 years; and

(i) Holly Street Options may be exercised the greater of: (i) 12 months after the date of cessation of being a Legacy Optionee (or such other time, not to exceed 12 months as shall be determined by the Board as at the time of grant or agreed to by the Board and the Legacy Optionee at any time prior to expiry of the Holly Street Options); and (ii) 90 days following cessation of the Legacy Optionee's position with Holly Street, and only to the extent that such Holly Street Options were vested at the date the Legacy Optionee ceased to hold its position with Holly Street, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the Holly Street Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Holly Street Option.

A copy of the Legacy Option Plan is available under Holly Street's SEDAR profile at www.sedar.com.

Upon Completion of the Qualifying Transaction, no further grants will be made under the Legacy Option Plan. In connection with the Qualifying Transaction, as approved by the Holly Street Shareholders and the Exchange, Holly Street will adopt the Option Plan, which will become the stock option plan of the Resulting Issuer. Each Holly Street Option outstanding as of the date hereof shall be consolidated pursuant to the Consolidation Ratio and replaced by a Resulting Issuer Option exercisable into a Resulting Issuer Share. For information on the Option Plan see *"Part V – Information Concerning the Resulting Issuer – Stock Option Plan"*.

The following table sets out the number of Holly Street Options held by holders of each category identified therein as of the date of this Filing Statement:

Group	Number of Holly Street Options	Exercise Price Per Holly Street Option	Expiry Date
Holly Street officers and directors(1)	450,000(2)	$0.10	July 22, 2022 and December 19, 2029**(3)(4)**

Notes:

(1) The current Holly Street officers and directors who will hold Resulting Issuer Options following the Closing are Joel Freudman, Damian Lopez and Ryan Cheung.

(2) The 450,000 Holly Street Options are pre-Consolidation. There will be 300,000 Holly Street Options outstanding post-Consolidation.

(3) 112,500 Holly Street Options, held by Trumbull Fisher, former director of Holly Street, will expire on July 22, 2022. The remaining 337,500 Holly Street Options will expire on December 19, 2029.

(4) Holly Street Options granted while Holly Street was a CPC may be exercised into Resulting Issuer Shares until the greater of 12 months after the Completion of the Qualifying Transaction and 90 calendar days following the date the Legacy Optionee ceases to be a director, officer or employee of the Resulting Issuer or its Affiliates or a consultant or a management company employee, except if such cessation was by reason of death, the Holly Street Option may be exercised within a maximum period of one year after such death.

Prior Sales

Holly Street has not issued any securities within the 12 months preceding this Filing Statement.

Trading Price and Volume

The Holly Street Shares are listed on the Exchange under the trading symbol “HSC.P”. The closing price of the Holly Street Shares on October 21, 2021, being the last day the Holly Street Shares traded on the Exchange before being halted on October 22, 2021 in connection with the proposed Qualifying Transaction, was $0.135.

The following table sets forth the high and low daily closing prices and the volumes of trading of Holly Street Shares for the periods indicated.

Period	High	Low	Trading Volume
March 1, 2022 to March 31, 2022(1)	0.135	0.135	0
February, 2022(1)	0.135	0.135	0
January 2022(1)	0.135	0.135	0
December 2021(1)	0.135	0.135	0
November 2021(1)	0.135	0.135	0
October 2021(1)	0.135	0.135	0
September 2021	0.135	0.11	54,000
August 2021	0.13	0.08	4,500
July 2021	0.10	0.08	12,000
June 2021	0.12	0.10	29,500
May 2021(2)	0.15	0.10	110,000
April 2021(2)	0.15	0.15	0
March 2021(2)	0.15	0.15	0

Note:

(1) At the request of Holly Street, trading in Holly Street Shares was halted on October 22, 2021, pending the announcement of this Qualifying Transaction.

(2) Holly Street Shares were halted until May 6, 2021 in connection with a proposed qualifying transaction that was not completed.

Executive Compensation

Under applicable securities legislation, Holly Street is required to disclose certain financial and other information relating to the compensation of its Named Executive Officers for the financial year ended September 30, 2021 and for the directors of Holly Street.

Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to Holly Street's Named Executive Officers and its directors:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES

Name and position	Year	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
Joel Freudman(1) CEO and Director	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil
Ryan Cheung(2) CFO and Corporate Secretary	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil
Anthony Viele(3) Director	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil
Damian Lopez(4) Director	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil
Trumbull Fisher(5) Director	2021	Nil	Nil	N/A	N/A	N/A	Nil
	2020	Nil	Nil	N/A	N/A	N/A	Nil

Notes:
(1) Mr. Freudman was appointed as a director of Holly Street on July 31, 2019 and as CEO on September 16, 2019.
(2) Mr. Cheung was appointed as CFO and Corporate Secretary on July 31, 2019.
(3) Mr. Viele was appointed as a director on July 22, 2021.
(4) Mr. Lopez was appointed as a director on July 31, 2019.
(5) Mr. Fisher was appointed as a director on July 31, 2019 and resigned on July 22, 2021.

Stock Options, RSUs and Other Compensation Securities

Other than those Holly Street Options granted on December 17, 2019, which are shown under *"Part III – Information Concerning Holly Street – Option Plan"*, no compensation securities were granted or issued to any Named Executive Officer or to any director of Holly Street during the financial years ended September 30, 2020 and September 30, 2021 for services provided or to be provided, directly or indirectly, to Holly Street.

No compensation securities were exercised by any Named Executive Officer or any director of Holly Street during the financial years ended September 30, 2020 and September 30, 2021.

Employment, Consulting and Management Agreements

There are no employment, consulting or management agreements in place with any of Holly Street's Named Executive Officers nor its directors.

Oversight and Description of Director and Named Executive Officer Compensation

Holly Street's board of directors is responsible for determining compensation for the officers and non-executive directors of Holly Street.

Holly Street is a CPC in accordance with the Exchange Policies and, at present, does not conduct any active business operations. Until the Completion of the Qualifying Transaction, no compensation will be paid to any Names Executive Officers or directors of Holly Street.

Compensation of Directors

Directors of Holly Street do not receive any compensation for attending meetings of the Holly Street Board, committees of the Holly Street Board, and shareholders meetings. Other than stock options to purchase common shares which are granted to Holly Street's directors from time to time, Holly Street does not have any arrangements pursuant to which directors are remunerated by Holly Street or any of its subsidiaries for their services in their capacities as directors, consultants or experts.

Pension Disclosure

There are no pension plan benefits in place for Holly Street's Named Executive Officers nor its directors.

Termination and Change of Control Benefits

Holly Street does not have in place any pension or retirement plan. Holly Street has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a Named Executive Officer or director of Holly Street in connection with or related to the retirement, termination or resignation of such person. Holly Street has not provided any compensation to such persons as a result of a change of control of Holly Street, its subsidiaries or affiliates. Holly Street is not party to any compensation plan or arrangement with its Named Executive Officers or directors of Holly Street resulting from the resignation, retirement or the termination of employment of such person.

Management Contracts

Management functions of Holly Street are, and since the beginning of the most recently completed financial year have been, performed by the directors and executive officers of Holly Street, and are not to any substantial degree performed by any other person or corporation. Holly Street has no management agreement with persons who are not officers or directors of Holly Street.

Non-Arm's Length Party Transactions

Holly Street did not complete any Non-Arm's Length Transactions (within the meaning of the Exchange Policies) during the previous financial year.

The Business Combination is an Arm's Length Transaction within the meaning of the Exchange Policies.

Legal Proceedings

There are no legal proceedings, actual or contemplated, material to Holly Street to which Holly Street is a party or of which any of its property is the subject matter.

Auditor, Transfer Agents And Registrars

Auditor

The auditor of Holly Street is Charlton & Company, Chartered Professional Accountants, located at Suite 1735, 555 Burrard Street, Vancouver, British Columbia V7X 1M9.

Transfer Agent and Registrar

Holly Street's transfer agent and registrar is Olympia Trust Company at its Vancouver office, located at Suite 1900, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

Material Contracts

Holly Street has not entered into any material contracts that currently remain in effect, except in the ordinary course of business, other than the Business Combination Agreement and the Holly Street Escrow Agreement.

A copy of the foregoing agreements will be available for inspection at the registered offices of Holly Street during ordinary business hours, until completion of the Business Combination and for a period of 30 days thereafter.

PART IV – INFORMATION CONCERNING USCM

The following information has been provided by USCM and is reflective of the current business, financial and share capital position of USCM. See also the Financial Statements of USCM attached hereto as Appendix C. See "*Part V - Information Concerning the Resulting Issuer*" for pro forma business, financial and share capital information relating to the Resulting Issuer following the Completion of the Qualifying Transaction.

Although Holly Street has no knowledge that would indicate any statements contained herein relating to USCM, its affiliates or the USCM Shares taken from or based upon such information provided by USCM are untrue or incomplete, neither Holly Street nor any of its officers or directors assumes any responsibility for the accuracy or completeness of the information relating to USCM, its affiliates or the USCM Shares, or for any failure by USCM to disclose facts or events that may have occurred or may affect the significance or accuracy of any such information but which are unknown to Holly Street.

Corporate Structure

Name and Incorporation

USCM is a private company that was incorporated on July 12, 2021 under the laws of the Province of British Columbia. The head office and registered office of USCM is located at 2300–550 Burrard Street, Vancouver, British Columbia V6C 2B5.

The directors of USCM are Darren Collins, Peter Simeon, Scott Benson (each of whom is a resident of Canada) and Marco Montecinos (who is a resident of the United States). Its officers are Darren Collins, Chief Executive Officer, and Keith Li, Chief Financial Officer and Corporate Secretary.

Intercorporate Relationships

USCM has one wholly-owned Subsidiary, US Energy. US Energy was incorporated in the state of Nevada on July 27, 2021.

Description of the Business

Overview and History of USCM

On August 10, 2021, USCM completed the USCM Private Placement of 25,000,000 USCM Units at a price of $0.01 per USCM Unit for aggregate gross proceeds of $250,000. Each USCM Unit was comprised of 1 USCM Share and 1 USCM Warrant. Each USCM Warrant entitles the holder to acquire 1 USCM Share at a price of $0.10 per USCM Share for a period of 5 years from the closing of the USCM Private Placement.

On September 24, 2021, USCM, through US Energy, entered into the Haynes Option Agreement with the Haynes Property Optionors, pursuant to which US Energy was granted an option to acquire from the Haynes Property Optionors a 100% interest in the Haynes Property.

On October 11, 2021, USCM, through US Energy, entered into the Clayton Ridge Option Agreement with the Clayton Ridge Property Optionor, pursuant to which US Energy was granted the option to acquire from the Clayton Ridge Property Optionors a 100% interest in the Clayton Ridge Property .

On October 22, 2021, USCM entered into a binding letter of intent with Holly Street, in respect to the Qualifying Transaction.

On January 7, 2022 USCM entered into the Business Combination Agreement pursuant to which USCM and Holly Street intend to complete the Qualifying Transaction.

Haynes Property

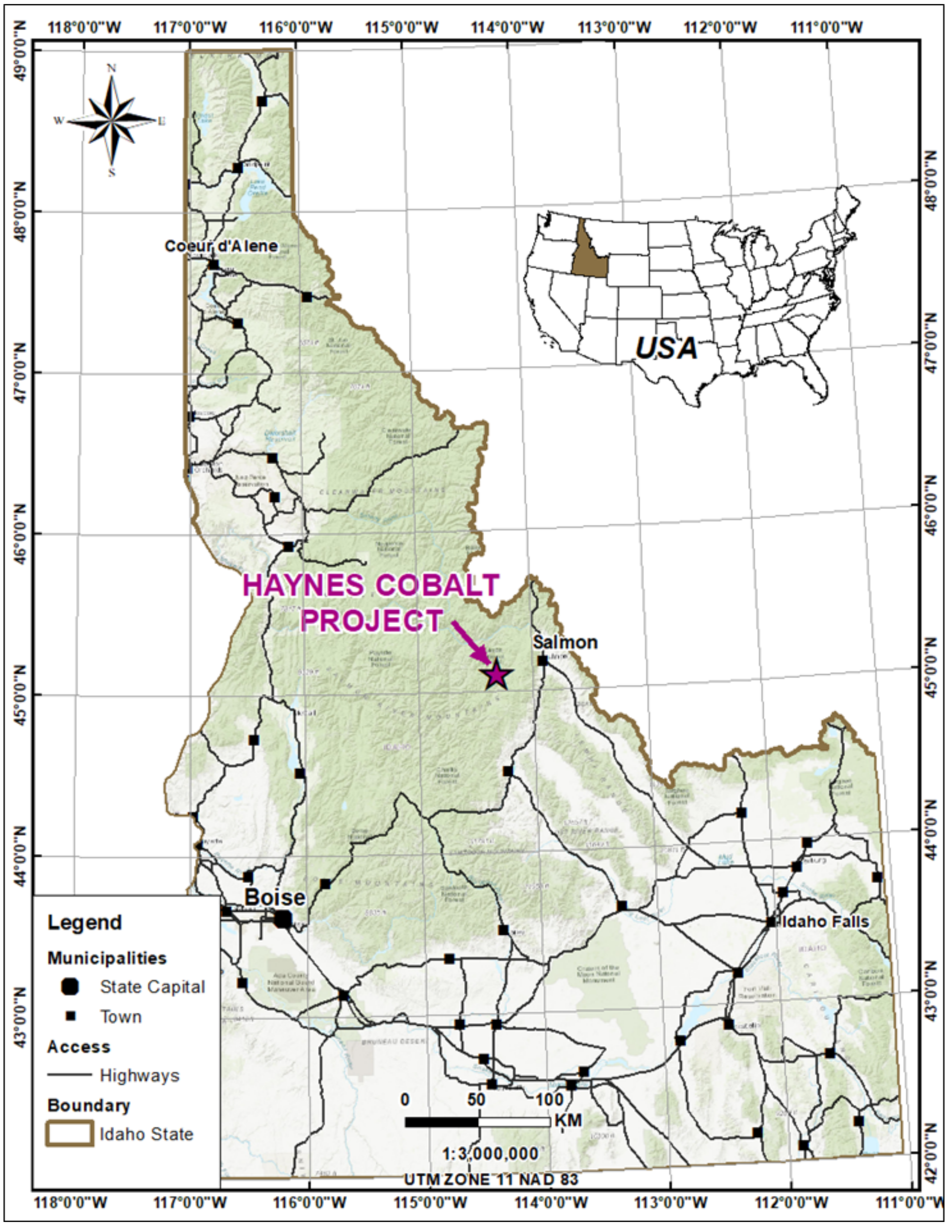
USCM has optioned the Haynes Property from its owners and is the current operator pursuant to the Haynes Option Agreement with the Haynes Property Optionors. Pursuant to the Haynes Option Agreement, USCM would acquire a 100% interest in the Haynes Property by paying a total of $50,000 and issuing an aggregate amount of 2,500,000 USCM Shares to the Haynes Property Optionors upon the Completion of the Qualifying Transaction and a further $50,000 on the one-year anniversary of the Closing Date. The Haynes Property Optionors will maintain the Haynes Royalty, 50% of which can be purchased by USCM for the aggregate sum of $1,500,000.

Upon completion of the acquisition of the Haynes Property, the Haynes Property would form the qualifying property of USCM.

The following is a summary of information derived from the Haynes Report regarding the Haynes Property, USCM`s qualifying and material property. The summary of the Haynes Report contained in this Filing Statement has been reviewed and approved by Janine Brown, B.Sc., P.Geo. of Dahrouge Geological Consulting Ltd. Janine Brown, B.Sc., P.Geo. is a qualified person, who is independent of USCM, within the meaning of NI 43-101. The full Haynes Report has been filed on SEDAR at www.sedar.com in conjunction with this Filing Statement. Readers are encouraged to review the Haynes Report in its entirety.

Project Description, Location and Access

The Haynes Property is located in the Blackbird Mining District of the Idaho Cobalt Belt, Idaho, United States. It is approximately centered on 45°06’32” N and 114°18’20” W and is approximately 32 km southwest Salmon, Idaho. The Haynes Property is on the northside of Blackbird Creek and is 1.93 km east of the historical Blackbird Mine.

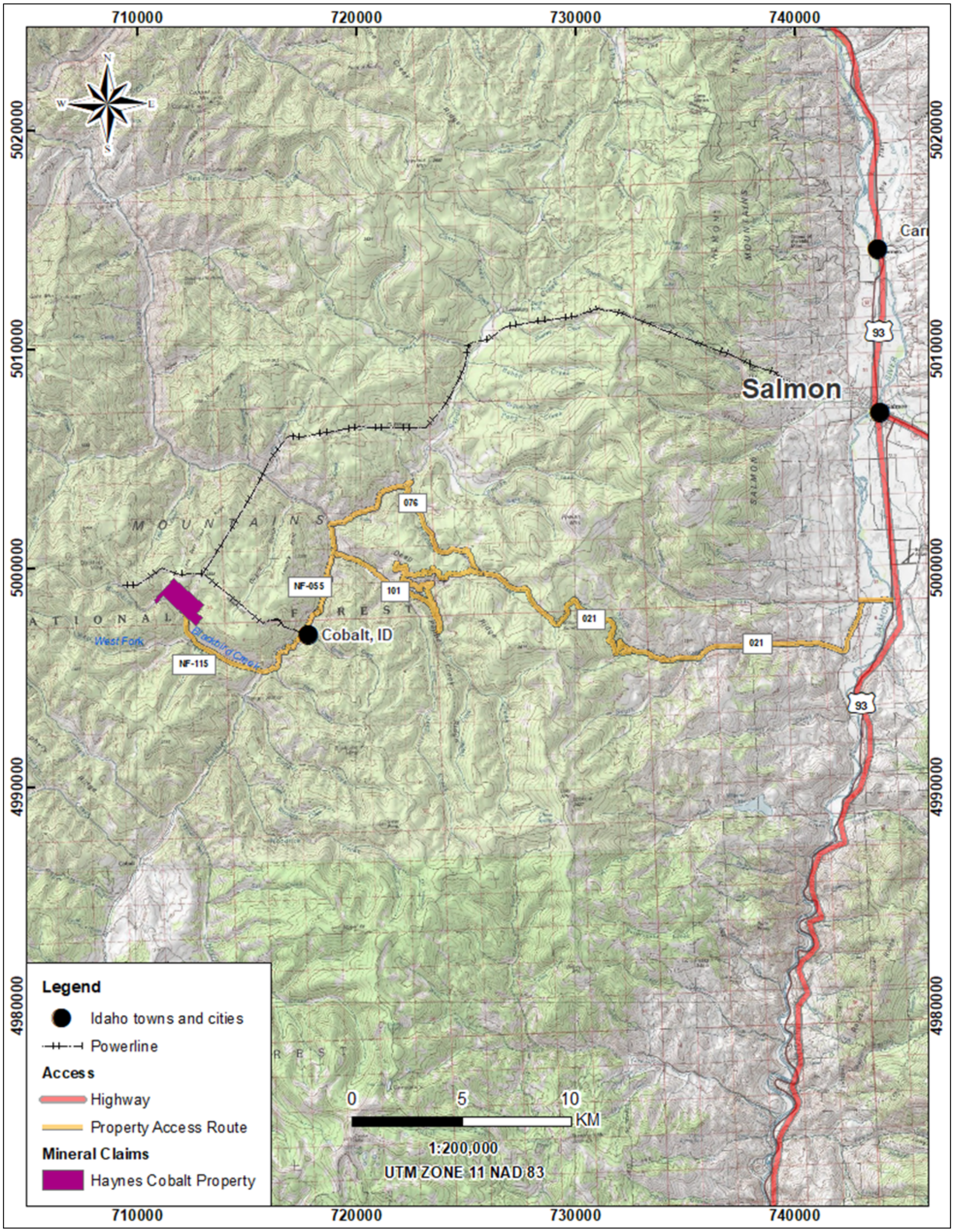


Accessibility

The Haynes Property can be accessed by well maintained gravel roads as set out in the figure below. From the city of Salmon, follow Highway 93 for approximately 9.7 km to the Williams Creek Rd. (NF-021). Turn west onto Williams Creek Rd. and follow it for approximately 26.7 km to the intersection with Deep Creek Rd. (NF-101); then follow Deep Creek Rd. for approximately 17.7 km to Panther Creek Rd. (NF-055). Follow Panther Creek Rd. south for approximately 9.2 km until the junction with Blackbird Creek Rd (NF-115); and then follow NF-115 for approximately 5 km to the Haynes Property.

The last 1.3 km of NF-115 (after passing the NF-116 intersection) is restricted and gated. An agreement will need to be made with Noranda in order to use this gated section of the road for access to the Haynes Property.

Additionally, the Haynes Property can be accessed by helicopter.



Mineral Tenure

The Haynes Property is comprised of 23 contiguous unpatented lode mining claims covering an area of approximately 192 ha. All claims are staked on Federal lands administered by the United States Forest Service.

A lode claim is a type of mining claim that includes veins or lodes with well-defined boundaries, and other in-situ valuable mineral deposits. Examples of veins or lodes include quartz or other veins bearing gold or other metallic mineral deposits and large volume, but low-grade disseminated metallic deposits, such as Carlin-type gold deposits and copper-bearing granites. A lode claim is limited to a maximum of 457.2 m (1,500 ft) in length along a vein or lode and a maximum width of 182.88 m (600 ft), 91.44 m (300 ft) on either side of the centerline of the vein or lode, as regulated by the Federal Statute (Title 43 CFR Part 3832, Subpart B). Lode claims give the right to explore, develop and extract mineral deposits but do not include exclusive surface rights. They are federally administered in 19 states, including the state of Idaho, and are managed by the BLM.

Owners of unpatented mining claims or sites on Federal lands, are required to pay a total of USD$225 per claim for new lode claims. Thereafter, claimants are required to pay an annual maintenance fee of USD$165 on or before September 1st of every year to continue to hold their mining claim. Regulations pertaining to mining claim maintenance fees can be found within Title 43 Code of Federal Regulations Parts 3834, 3835 and 3836.

As of the date of this report, all tenures are held in trust by Arizona Lithium Co. Ltd. On September 24, 2021, US Energy signed the Haynes Option Agreement with the Haynes Property Optionors to acquire 100% interest in the Haynes Property. The Haynes Option Agreement is subject to the following terms and financial consideration:

- USCM will fund the cost of upcoming exploration program on the Haynes Property in the amount of approximately (and not less than) $100,000 upon closing of the Haynes Option Agreement;

- USCM will fund the cost of a third party authored NI 43-101 technical report (estimated cost of $25,000);

- USCM will keep the Haynes Property in good standing for the duration of the option period (BLM fees estimated at $3,870 per year);

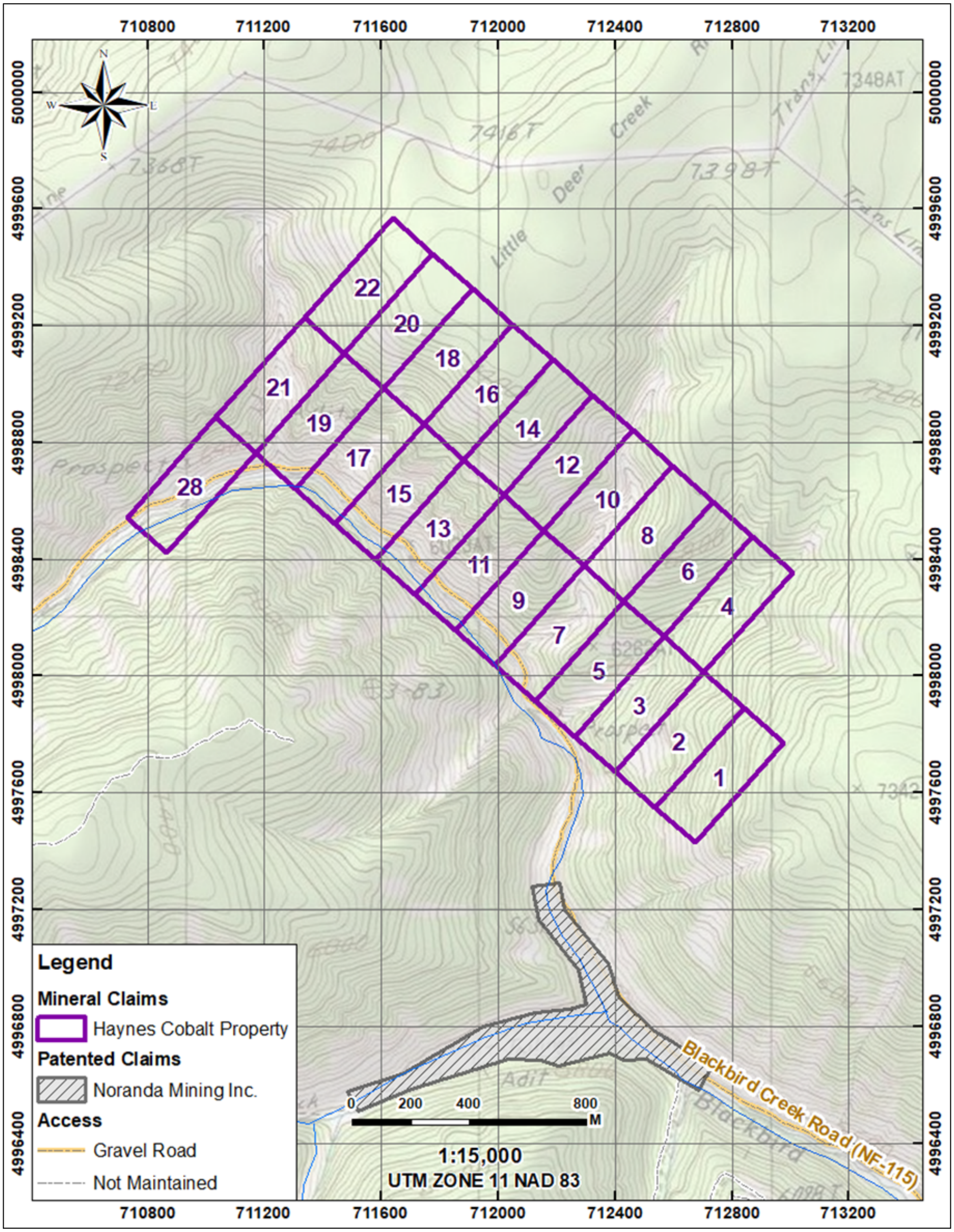
- USCM will make a $50,000 cash payment to the Haynes Property Optionors upon listing of the USCM Shares on a recognized stock exchange;

- USCM will make a $50,000 cash payment to the Haynes Property Optionors on the one-year anniversary of listing of the USCM Shares;

- USCM will issue 2,500,000 USCM Shares to the Haynes Property Optionors upon Completion of the Qualifying Transaction.

Additionally, the Haynes Property Optionors will retain a NSR of 3% split evenly amongst the three parties. USCM may purchase 1.5% of the NSR through a payment of $1,500,000 to the Haynes Property Optionors.

The below figures set out the location and details of the Haynes Property mineral tenures:


Legend
Mineral Claims
Haynes Cobalt Property
Patented Claims
Noranda Mining Inc.
Access
Gravel Road
Not Maintained
1:15,000
UTM ZONE 11 NAD 83
0 200 400 800 M
Blackbird Creek Road (NF-115)
Little Deer Creek
710800 711200 711600 712000 712400 712800 713200
5000000 4999600 4999200 4998800 4998400 4998000 4997600 4997200 4996800 4996400
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 28

Admin State	County	Claim Name	Serial Number	Legacy Serial Number	Disposition	Case Type	Location Date
ID	Lemhi	HS 1	ID101735000	IMC218428	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 2	ID101736113	IMC218429	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 3	ID101736114	IMC218430	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 4	ID101736115	IMC218431	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 5	ID101736116	IMC218432	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 6	ID101736117	IMC218433	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 7	ID101736118	IMC218434	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 8	ID101736119	IMC218435	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 9	ID101736120	IMC218436	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 10	ID101736121	IMC218437	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 11	ID101736122	IMC218438	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 12	ID101736123	IMC218439	ACTIVE	LODE	7/12/2017
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ID	Lemhi	HS 15	ID101736126	IMC218442	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 16	ID101736127	IMC218443	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 17	ID101736128	IMC218444	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 18	ID101736129	IMC218445	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 19	ID101736130	IMC218446	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 20	ID101736131	IMC218447	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 21	ID101736132	IMC218448	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 22	ID101736133	IMC218449	ACTIVE	LODE	7/12/2017
ID	Lemhi	HS 28	ID101736134	IMC218455	ACTIVE	LODE	7/12/2017

Required Permits

The Haynes Property is located on land administered by the USFS and are therefore subject to NEPA and Part 228 Subpart A Locatable Minerals Program. NEPA requires the USFS to assess the environmental effects of any proposed activities prior to issuing a permit for the proposed action. A public review and comment period are part of the NEPA requirements.

Activities that are non-surface disturbing such as rock sampling, soil sampling and ground geophysical surveys do not require any approval from the USFS. Surface disturbing exploration activities, such as drilling will require approval from the USFS before the commencement of such work.

The USFS grants authorization for exploration activities through two options: (1) a CE; or (2) an approved POO.

The CE process is typically utilized for low-level mineral exploration activities and is outlined in 36 CFR 220.6(e)(8)(i-vii) and applies to activities of one year or less in duration. These activities include: overland travel, construction of less than 1.6 km of low standard road(s), use of, or repair of, existing roads, trenching and drilling from existing roads.

A POO is required for more comprehensive activities such as drilling. Once the USFS receives a POO it will complete an EA to analyze the potential effects of the proposed action. An EA is typically sufficient to approve a POO for small-scale projects where the effects are shown to be insignificant. If work is considered larger-scale and significant, then an EIS is required.

Although the USFS will be the lead agency for any permitting on the Haynes Property, the State of Idaho also has jurisdiction for some exploration activities. The IDL regulates surface mining activities indirectly through the approval of a reclamation plan. The IDEQ regulates all water related discharges and air quality issues, and the IDWR is responsible for issuing water rights.

The IDL regulates surface mining activities under IDAPA 20.03.02 Rules Governing Exploration, Surface Mining and Closure of Cyanidation Faculties. Specifically, IDAPA 20.03.02.06 outlines the requirements for exploration operations and reclamation requirements and would require notification to the IDL of any drilling activity within seven days from commencement of operations. Additionally, the IDL requires authorization from the USFS for any POO.

The IDL has two reclamation standards for exploration activities and include those that are for disturbances of less than 0.8 ha and those for disturbances of more than 0.8 ha. Regardless, the USFS requirements will be equal to, or more stringent, than the IDL.

Any diversion of public water resources for drilling will require a Temporary Water Appropriations Permit from the IDWR. These permits are approved for one year and must be applied for each year.

All surface disturbing activities approved through a CE or EA will require a bond for assurance of reclamation upon completion of activities.

Most of the recommended activities outlined in the Haynes Report (mappings, sampling and geophysical surveys) can be completed without any permitting from the USFS. However, before any drilling can be initiated, an approved POO will need to be provided by the USFS.

Environmental Liabilities

The author of the Haynes Report is not aware of any environmental liabilities associated with the Haynes Property.

Other Significant Factors or Risks

The author of the Haynes Report is not aware of any additional significant factors or risks that may affect access, title, or the right or ability to perform work on the Haynes Property.

History

Exploration in the Blackbird area began in 1893 with an initial focus on staking claims for gold. In 1896, the discovery of high-grade Cu deposits sparked renewed interest in claim staking in the area. In 1899, Blackbird Copper-Gold Mining Co. staked a group of claims and subsequently conducted mining activities at several prospects on the claims.

In 1901, John M. Belielle first discovered the occurrence of cobalt mineralization on a group of claims that included part of the Haynes Property.

In 1915, Haynes Stellite acquired the claims from Belielle and established a mill at the site now known as the Haynes Stellite Mine. Haynes Stellite operated the mine between 1917-1920. The mine workings consisted of adits, tunnels and crosscuts exposing a tourmalinized breccia. Historical USGS reports indicate that 3,629 tonnes of ore, producing 49.9 tonnes of concentrate at 17.7% Cu were extracted between 1918-1920. In 1920, Haynes Stellite Co. merged with Union Carbide Co. and Union Carbide Co. held the patented ground. The high transportation and processing costs eventually forced the mine to close. Around 1938, it was discovered that the patents held by Union Carbide Co. were invalid, resulting in the relocation of the two most important claims and camp by F.W. Stephenson and associates.

In 1966, Hanna evaluated the Haynes Stellite project by collecting samples from the adits for geochemical analysis. Analytical results suggested an average concentrate grade of 0.49% Co and it was concluded that drilling needed to be completed in order to better define the concentrate grade. Hanna proposed to drill several holes, however, there are no records to confirm that they completed the proposed drilling. Hanna concluded that the Haynes Stellite project was not economical at the existing metal prices in 1976.

In 1976, The USGS conducted reconnaissance geological and geochemical work in the area of Blackbird Creek and Panther Creek. One stream sample was collected on the Haynes Property, yielding elevated values of 307.5 ppm Co and 79.9 ppm Cu.

In 1977, Noranda optioned a group of claims along the West Fork Drainage from Hanna, which included the Haynes Stellite Mine prospect and subsequently conducted exploration of the underground workings and tourmalinized breccia.

In 1980, Noranda conducted geological mapping with a focus on locating the tourmalinized breccias associated with Co mineralization and surface drilling. Noranda drilled a total of three holes totalling, 885.44 m, all of which were collared just north of the current Haynes Property boundary. Results from the drilling in the area of the Haynes Stellite Mine revealed that there is not one single breccia but en echelon breccias. Two types of breccias were identified: Type 1 breccias are described as tourmaline rich in the centre with increase in quartzite clast and biotite abundance outwards, and have halos consisting of fluidized sediment margins, a silica shell and sulphide shell; Type 2 breccias range from metres to tens of metres in thickness and have very large tourmaline haloes (extend for tens of metres). In 1982, A.F. Gardulski reported that assay results from drillhole HS-80-2A with a strike and dip of 205° and -45°, respectively, returned 0.53% Co over 1.77 m (true mineralization thickness) in one of the northwest-southeast trending breccias. Two other holes returned lower insignificant Co values. Based on the geological mapping and drilling, Noranda, estimated that the Haynes Stellite Mine had the potential for up to 204,000 tonnes of ore grading >0.5% Co. This estimate is historical; the author of the Haynes Report has not done sufficient work to classify this historical estimate as a current mineral resource.

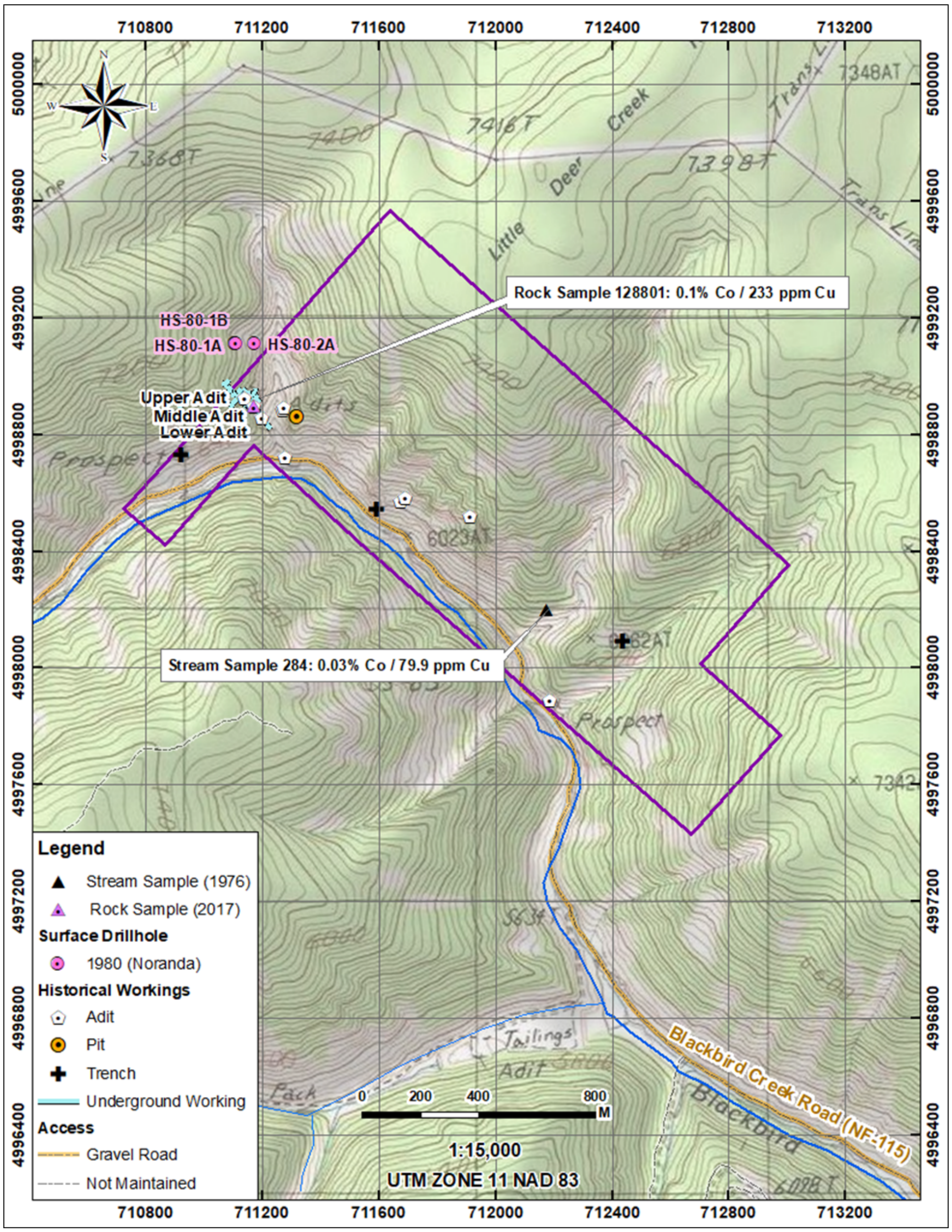
In 1981, Noranda conducted underground drilling from the lower adit, drove an exploration drift 10 m along of the northwest-southeast trending tourmalinized breccia in the middle adit and conducted metallurgical work using the exploration drift material. A total of seven subsurface holes totalling 758.34 m was drilled to test the strike and down-dip extent of the middle and upper adit breccia complex. An unknown amount of material was used for the metallurgical work; the mill feed graded 0.29-0.38% Co and yielded concentrate grades of 8.1-15% Co. Results of the program indicated that the breccias exposed in the middle and upper adits are essentially mined out and that mineralization extends to the east and the size of the system was unknown. It is uncertain if the intersected mineralized zones are on the current Haynes Property or immediately adjacent to it due to the age of the data and quality of location data available in the historical reports. Verification of the underground working locations with respect to the Haynes Property boundary would be difficult due to uncertainty in the rock stability. Noranda did not complete any additional work on the Haynes Property and ceased all exploration and development in the Idaho Cobalt Region due to economic constraints.

In 2017, DGC conducted a regional helicopter-supported prospecting program. The purpose of the exploration program was to locate and confirm historical workings and sample mineralized outcrops. Snow and heavy tree cover on the Haynes Property limited the work to confirmation of one adit, and due to the stability of the adit, only one rock sample was collected from the entrance wall. Analytical results from the sample returned 0.12% Co.

The table below sets out a summary of the historical exploration work conducted on the Haynes Property.

Year	Company	Summary of Work
1917-1920	Haynes Stellite	drove adits, tunnels and crosscuts; production of 49.9 tonnes of concentrate at 17.7% Co.
1979-1981	Noranda	Prospecting; geological mapping; surface (three drillholes) and underground drilling (seven drillholes); metallurgical testing
2017	DGC	Prospecting; one rock sample

The figure below sets out historical exploration on the Haynes Property.



Regional Geology

The Haynes Property is located within the ICB, an approximately 55 km long metallogenic district characterized by stratiform or tabular Cu-Co deposits. The Co-Cu deposits are hosted in a thick Mesoproterozoic, dominantly clastic sequence wedged between later Proterozoic quartz monzonitic intrusions. These clastic sediments of the Lemhi Group were deposited in a large fault-bounded basin, the Belt-Purcell Basin, likely as large submarine fan complexes and/or deltas that were frequently submerged by continuing subsidence within the basin.

In the ICB, the Lemhi Group is comprised of the Inyo Creek Formation, Big Creek Formation, Apple Creek Formation and Gunsight Formation. All known significant Co-Cu deposits and prospects are found in the Proterozoic Apple Creek Formation, which constitutes the base of the Belt-Purcell basin. The Apple Creek formation consists of a pale-grey, banded siltite overlain by a dark grey argillite and in the Blackbird District, the argillite has been altered to a greenish biotitite. The Apple Creek Formation was later intruded by plutons of Mesoproterozic, Cambrian-Ordovician, Cretaceous and Tertiary in age.

Within the Apple Creek Formation, mineralization occurs as cobaltite associated with minor quartz, greenish-black biotite +/- minor to major black tourmaline +/- minor xenotime ± minor chalcopyrite in disseminated to semi-massive replacement-style deposits, breccias, and veinlets. Three types of cobalt deposits have been identified along the ICB:

<u>Type 1 - Co-Cu-As rich deposits:</u> (Blackbird Mine) These deposits contain equal amounts of Co and Cu, with varying amounts of Au and pyrite. The dominant minerals are cobaltite and chalcopyrite, with cobaltite accounting for nearly all the arsenic content. Mineralization is strata-bound and associated with mafic sequences, and deposits are typically in tabular form.

<u>Type 2 - Cobaltiferous pyrite-magnetite deposits:</u> These deposits have variable chalcopyrite and low arsenic content and are typically hosted by fine-grained metasediments from the lower unit of the Apple Creek Formation. Mineralization is strata-bound, locally stratiform and found within syn-sedimentary soft sediment structures.

<u>Type 3 - Cobaltiferous tourmaline-cemented breccias:</u> These breccias are common in the lower unit of the Apple Creek Formation, as dike-like to pipe-like bodies and strata-bound bodies. Based on past production and recent exploration, these deposits, are the most economical and mainly hosted in biotite-rich rocks.

Metamorphic grade in the Blackbird District ranges from middle greenschist to upper amphibolite facies at the Salmon Canyon copper deposit approximately 25 km northwest of the Blackbird district.

The structure of the Apple Creek Formation is dominated by the regional rift structure; the Co-Cu mineralization occurs along a northwest-southeast trending structure parallel to and west of the central axis of the rift. There is a series of northerly trending faults that are considered to represent the initial growth faults reactivated by the Laramide orogeny and younger events. Additionally, the area has been affected by north-easterly structures of the Trans-Challis Fault Zone.

Haynes Property Geology

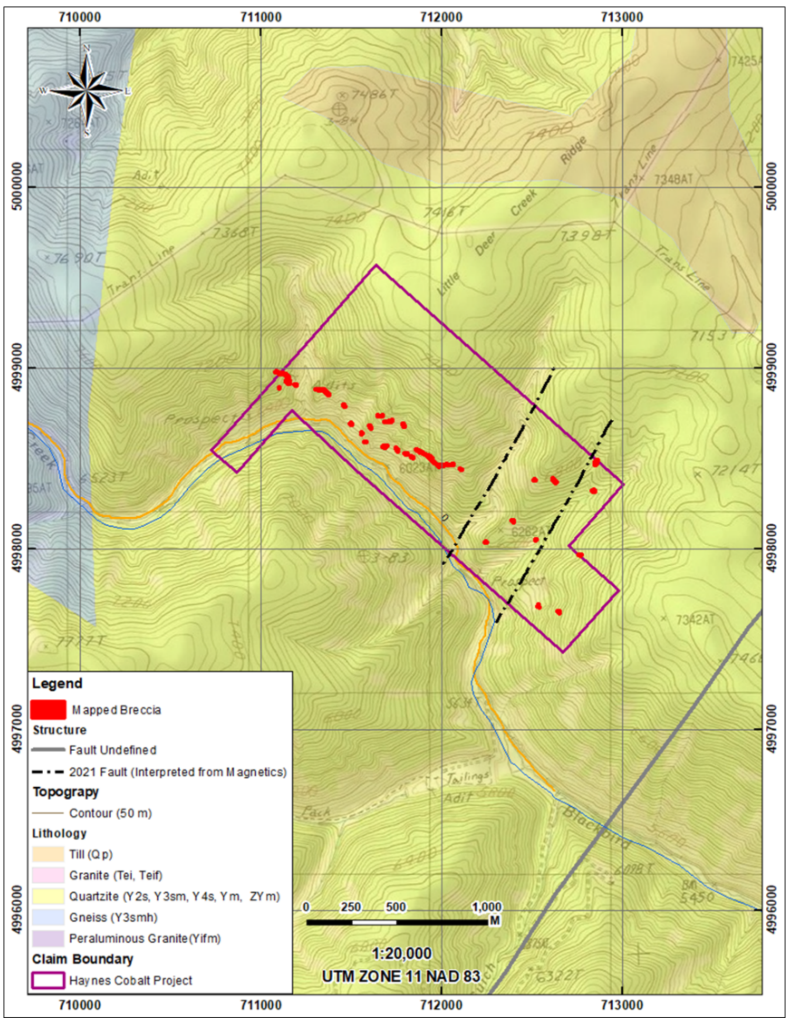
The Haynes Property is underlain by sediments of the Lemhi Group Apple Creek Formation and overlying Gunsight Formation. Detailed work by Noranda geologists and the USGS have shown that the Apple Creek Formation can be divided into three units: (1) lower unit, greater than 4,570 m thick and dominantly comprised of argillite and siltite, with lesser amounts of quartzite; (2) middle unit, up to 1,000 m thick and comprised of several upward-coarsening sequences of argillite, siltite, metagreywacke and quartzite, with distinctive biotite-rich interbeds. The biotite-rich interbeds seem to have a direct correlation to mineralization and as such, host most of the known Co, Cu and Au occurrences; and (3) upper unit, greater than 3,000 m thick and predominately comprised of thin- to thick-bedded, very fine-to fine-grained quartzite.

The Gunsight Formation is comprised of quartzite beds (0.2-2 m thick) with thin interbeds of black biotite phyllite in the area of the Haynes Property.

Mineralization

On the Haynes Property, Co-Cu mineralization of Type 3 has been observed. The primary cobalt-bearing mineral is cobaltite though erythrite and oxide minerals have also been observed. Mineralization is observed in veinlets, isolated crystals, and fine disseminations within the tourmalinized breccias and fluidized margins. The tourmaline breccias occur en echelon along a northwest-southeast trend for at least 1,500 m and occur as hard, dense, black vein-type pods and lenses. Contacts with the breccia are fluidized, have asymmetric alteration halos and display prominent foliation parallel to the breccia contacts. The innermost alteration zone consists of abundant biotite- and pyrite-bearing veinlets +/-chalcopyrite; the middle zone is characterized by carbonate veinlets, porphyrotopes and apices of flame structures in metasediments; and the outer zone shows intense silicification.

The figure below shows the Haynes Property geology.



Deposit Types

The Haynes Property is located within the Blackbird Mining District which is known as the most mineralized section of the ICB. Classification of Co-Cu deposit types in the ICB have varied throughout time.

Early geoscientific work classified the Co-Cu-Au deposits as stratabound deposits with iron-, copper-, cobalt- and arsenic-rich sulphide accumulations in nearly carbonate-free siltite or volcanogenic massive sulphide type deposits due to iron formations, base metal veins and tourmaline breccias.

Studies by J.T. Nash in 1989, J.T. Nash and G.A. Hahn in 1989, and J.J. Connor in 1990 attributed the mineralization to sea-floor hydrothermal activity associated with SEDEX or VMS deposits.

Research by J.F. Slack in 2006, suggested that the area is an IOCG deposit type with a magmatic-hydrothermal origin. J.F. Slack stated that the "occurrence of high REE and Y concentrations in the Blackbird ores, together with previously documented saline-rich fluid inclusions and Cl-rich biotite, suggest that these are not volcanogenic massive sulfide or sedimentary exhalative deposits, but instead are 'IOCG' deposits".

Another study by J.F. Slack in 2013 suggests that the Co-Cu-Au ore zones of the Blackbird District are composite, epigenetic, predominantly metamorphic-hydrothermal deposits (+/-subordinate magmatic hydrothermal input), hosted in metasedimentary rocks of Mesoproterozoic age (ca. 1454–1370 Ma). These deposits underwent multiple episodes of metamorphism, plutonism and metamorphic-hydrothermal mineralization. Characteristic of these epigenetic deposits are sulfide-rich lenses, veins and breccias that are discordant to bedding and are typically localized by faults, shear zones and fold axes.

Based on recent work by Jervois Global Ltd. on the Ram deposit, it is possible that the deposit type is a metasedimentary rock with stratabound zones of semi-massive sulphides. The origins of these deposits are thought to be varied, including a range of mineralizing processes, from diagenetic to epigenetic; however, the sources of the hydrothermal fluids and metals are still enigmatic.

Based on field observations and the deposit types described above, an IOCG type deposit most closely mimics mineralization on the Haynes Property due to the elevated REEs and occurrence of mineralization as discordant breccias.

Exploration

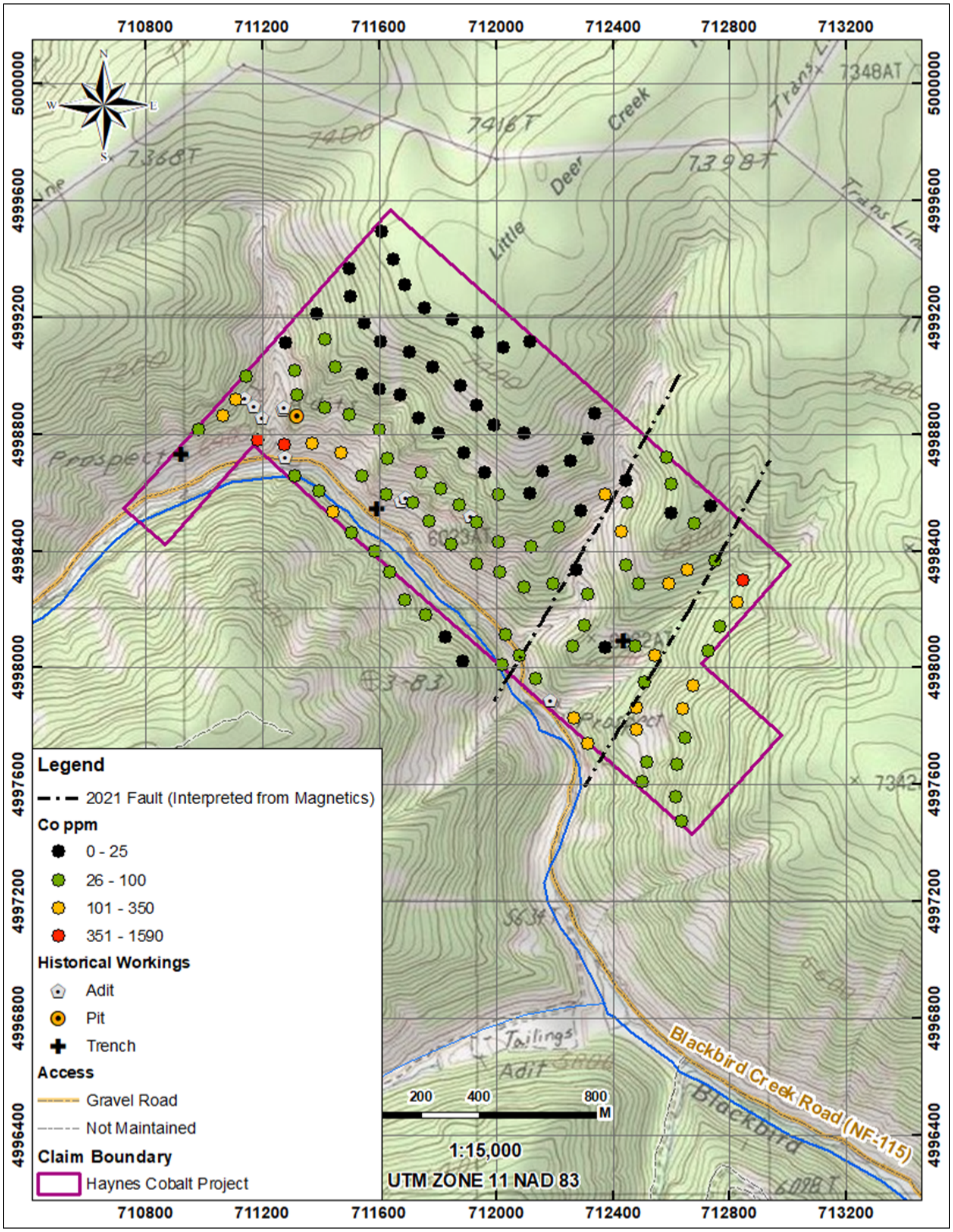
In 2021, USCM contracted DGC to conduct a helicopter-supported exploration program consisting of high-resolution ground magnetics and geochemical rock and soil sampling on the Haynes Property. The purpose of the program was to confirm the historically documented Co mineralization and conduct additional exploration along the known mineralized trend.

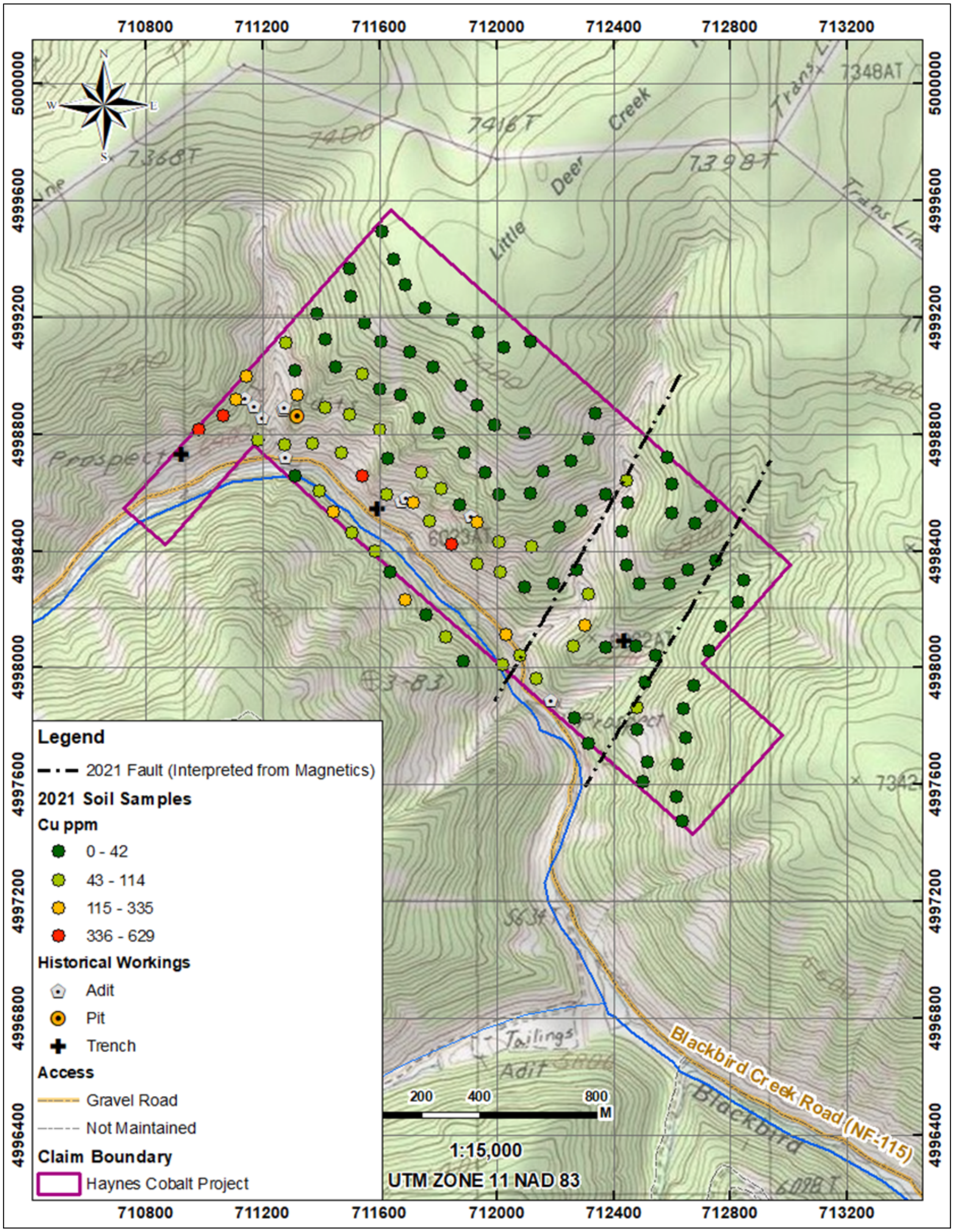
Although there is well maintained road access to the Haynes Property, a section of the road near the Haynes Property has restricted access and is gated. Discussions have been initiated with the group of companies that operate the gate to allow access via road to the Haynes Property. It is uncertain how long it will take to negotiate an agreement and, as such, the 2021 field program and December 2, 2021 site visit were helicopter-supported.

A property-wide 16.5 line-km ground magnetic survey was conducted along a northeast-southwest trend on 100 m spaced lines. A GSM-19 walking magnetometer with a GPS attachment and GSM-19 base station were used to complete the survey. The location of metal objects encountered during the survey were marked with the GPS for data correction and any time a vehicle passed, the surveyor waited at the location until the vehicle was a sufficient distance away before continuing the survey. Measurements were corrected for diurnal drift using the base station measurements. Magnetometer data was processed using Seequent's Oasis Montaj Software.

A plot of total magnetic intensity from the ground magnetic survey data indicates two structures running northeast-southwest in the southern half of the claim block. These structures are likely related to the Trans-Challis Fault System.

A property-wide contour-style soil sampling program was completed. Lines were spaced approximately 150 m apart, and samples were spaced 100 m apart along the lines. The samples were collected from the B horizon using a rock pick and plastic garden trowel, which were cleaned between sample stations. Samples were bagged and labelled and allowed to dry in a secure facility before being shipped for analysis. A total of 118 soil samples were sent via courier to Actlabs. Results of the samples are shown in the figures below.





The results from the soil sample program returned elevated values of Co, Cu and Au that confirm northwest-southeast trend of mineralization and show an offset in the southern half of the Haynes Property, coincident with the structures identified by the ground magnetic survey.

A total of 76 grab rock samples were collected from historical workings including pits, trenches and adits, as well as outcrops. The rock samples were described, photographed, bagged in labelled cloth bags, sealed with zip-ties and shipped via courier to Actlabs.

A total of 10 adits and three trenches were located and sampled. The majority of the historical work conducted on the Haynes Property is concentrated within the northwestern portion of the Haynes Property near the Haynes Stellite Mine, confirming a strike length of 1.5 km southeast of the Haynes Stellite Mine.

Mineralization was observed as very finely disseminated cobaltite in massive, brecciated tourmalinized bodies. These bodies are typically associated with gossanous biotite +/-copper oxide +/-cobalt oxide altered quartz tourmaline breccia veins.

Rock samples were collected from metasediments, tourmaline breccias, quartz veins, biotite schist and a felsic tuff. Results from the rock sample analysis also confirm widespread Co-Au+REEs mineralization in the tourmaline breccias on the Haynes Property as shown in the table below; no significant results for Cu were returned. It is the opinion of the author of the Haynes Report that the methods used in collection of the samples during the 2021 exploration program are of good quality and representative of the rock units and mineralization on the Haynes Property.

Assay results from a select few rock samples collected in 2021 are shown in the table below.

Sample ID	Sample Type	Rock Type	Co (%)	Au (g/t)	Cu (ppm)	Arsenic (ppm)	Y (ppm)
HS21SD-006	Grab	Altered Metasediment	0.219	0.276	114	4230	359
HS21SD-007	Grab	Tourmaline Breccia	0.4	0.091	605	7540	69.6
HS21SD-010	Grab	Tourmaline Breccia	1.18	0.908	53.8	> 10000	4079
HS21SD-011	Grab	Tourmaline Breccia	0.502	1.28	52.8	> 10000	4709
HS21SD-046	Grab	Tourmaline Breccia	0.238	0.44	16.4	6300	90.7
HS21SD-073	Grab	Tourmaline Breccia	0.415	0.017	166	8740	95.7

All expenditures on the Haynes Property over the previous two-year period from the date of this Filing Statement were undertaken exclusively by USCM and its Affiliates. There were no expenditures incurred on the Haynes Property in 2020 or prior to July 11, 2021.

Drilling

No drilling has been conducted on the Haynes Property by USCM or its Affiliates.

Sampling, Analysis and Security

The author of the Haynes Report has no direct knowledge of the historical sampling procedures or sample security measures used by previous operators other than the work completed by USGS and DGC. Methods used for the stream sampling in 1976 were available from a historical report. Methods used by DGC in 2017 were available through internal communications and methods used by DGC in 2021, were observed in the field by the author of the Haynes Report.

Samples collected in both 2017 and 2021 by DGC were sent to Actlabs. Actlabs is accredited with ISO/IEC 17025:2017 standards and is independent of USCM.

In 1976, the USGS staff collected the stream sample from the active portion of the stream. The sample weighed approximately 1 lb and consisted of fine sediment and was placed in a labelled paper bag. The sample was then shipped to the IBM for analysis. IBM is a historical laboratory, and any accreditation could not be verified by the author of the Haynes Report.

In 2017 DGC collect one rock sample and in 2021 DGC collected 76 rock samples. All samples were bagged in pre-labelled bags, described, photographed, sealed with zip-ties, placed in pails and shipped to the Actlabs via courier.

In 2021 DGC collected 118 soil samples. The soil samples were bagged in labelled and allowed to dry in a secure facility before being re-bagged and shipped by courier for analysis at Actlabs.

In 1976, the stream sample was prepared using standard preparation methods and then analyzed using atomic absorption spectrometry and colorimetry. The sample was analyzed for Ag, Co, Cu, molybdenite, lead, Zn and Au.

In 2021, the soil samples were prepared using standard preparation methods and analyzed by exploration geochemistry package 1A2, fire assay with a flame AA finish and package 1E3, aqua regia digestion with an ICP-OES.

In 2017, the one rock sample was prepared using standard preparation methods and analyzed by exploration package ME-MS61, 4-acid (near total) digestion followed by ICP-OES / ICP-MS analysis, and Code 1A3, Ag and Au by fire assay followed by a gravimetric finish.

In 2021, the rock samples were prepared using standard preparation methods and then analyzed by exploration package UT-6M, 4-acid (near total) digestion with an ICP-OES / ICP-MS finish and fire assay with a flame atomic absorption finish.

It is the opinion of the author of the Haynes Report that the sample collection, preparation, security and analytical procedures as described are sufficient for the early-stage exploration program conducted by DGC on the Haynes Property. Future exploration programs should continue to utilize standard industry sample collection procedures along with the insertion of blank material, certified reference material and field duplicates into the sample stream at an appropriate frequency.

Data Verification

The author of the Haynes Report conducted a field visit of the Haynes Property on 13 October 2021. During this visit, the author of the Haynes Report was able to confirm the geology and other technical aspects of the Haynes Property as described in this report. The author of the Haynes Report collected three rock samples from the Haynes Stellite Mine located on the Haynes Property.

All samples collected by the author of the Haynes Report remained under strict control of the author of the Haynes Report until they were sent to Paragon via courier for analysis. Paragon is an ISO/IEC 17025:2017 accredited laboratory. The author of the Haynes Report requested that the samples be analyzed for gold via a 30g fire assay with aqua regia digestion and an AA finish and a 35-element suite by aqua regia and ICP-OES.

The samples collected by the author of the Haynes Report were described in detail, photographed and their locations were marked in the field for future reference. The table below highlights the results for selected elements of the samples taken by the author of the Haynes Report.

Sample	Au (ppm)	Co (ppm)	Cu (ppm)	Arsenic (ppm)	Zn (ppm)
969	0.013	168	342	547	200
970	1.176	13470 (1.347%)	575	28060 (28.060%)	19
971	0.026	2990	61	2200	30

Sample 970 was collected from an approximately 30 cm wide near-vertical, biotite-rich structure striking 140° with significant erythrite mineralization.

The samples taken by the author of the Haynes Report confirm the presence of significant Co-Cu-Au mineralization on the Haynes Property. The samples taken by the author were not analyzed for REE.

In conjunction with his on-site field review of the Haynes Property, the author of the Haynes Report has conducted a thorough review of all technical data generated by DGC during their 2021 exploration activities and has found no reason to question the validity of their results.

Mineral Processing and Metallurgical Testing

No recent mineral processing or metallurgical testing has been completed on the Haynes Property.

Mineral Resource Estimates

No NI 43-101 compliant mineral resource estimation has been completed on the Haynes Property.

Exploration, Development and Production

Please refer to *"Part V – Information Concerning the Resulting Issuer – Narrative Description of the Business"* for more information on the proposed exploration and development of the Haynes Property.

Clayton Ridge Property

USCM has optioned the Clayton Ridge Property from its owners and is the current operator pursuant to the Clayton Ridge Option Agreement with the Clayton Ridge Property Optionor. Pursuant to the Clayton Ridge Option Agreement, USCM would acquire a 100% beneficial interest in the Clayton Ridge Property by paying a total of USD$225,000 and issuing an aggregate amount of 2,500,000 USCM Shares to the Clayton Ridge Property Optionor as follows:

- Payment of USD$25,000 in cash upon signing of the Clayton Ridge Agreement on October 11, 2021;
- Payment of USD$75,000 in cash and issuance of 500,000 USCM Shares on October 11, 2022;
- Payment of USD$75,000 in cash and issuance of 500,000 USCM Shares on October 11, 2023;
- Payment of USD$50,000 in cash and issuance of 500,000 USCM Shares upon Completion of the Qualifying Transaction; and
- Issuance of 1,000,000 USCM Shares upon completion of the Clayton Ridge Report which confirms the presence on the Clayton Ridge Property of 2,000,000 tons of Li carbonate equivalent.

The Clayton Ridge Property Optionor will maintain the Clayton Ridge Royalty, subject to a buyback provision whereby US Energy can purchase back 1% of the GOR from the Clayton Ridge Property Optionor in exchange for USD$1,000,000.

The following is a summary of information derived from the Clayton Ridge Report regarding the Clayton Ridge Property, USCM`s second material property. The summary of the Clayton Ridge Report contained in this Filing Statement has been reviewed and approved by Robert Johansing, M.Sc.. Robert Johansing, M.Sc. is a qualified person, who is independent of USCM, within the meaning of NI 43-101. The full Clayton Ridge Report has been filed on SEDAR at www.sedar.com in conjunction with this Filing Statement. Readers are encouraged to review the Clayton Ridge Report in its entirety.

Project Description, Location and Access

The project is centered near 460,000 metres east, 4,170,000 metres north, WGS84, Zone 11 north datum, in Esmeralda County, Nevada on the east flank of the Clayton Valley. The project is located 18 km due west of Goldfield, Nevada and about 17 km southeast of Silver Peak, Nevada. The project lies within T3S, R40E and T3S, R40.5E, Mount Diablo Meridian and occupies a topographic swale between the Montezuma

Range and Clayton Ridge in the USGS 7.5-minute Split Mountain, Nevada quadrangle; the magnetic declination is 12º 10'.

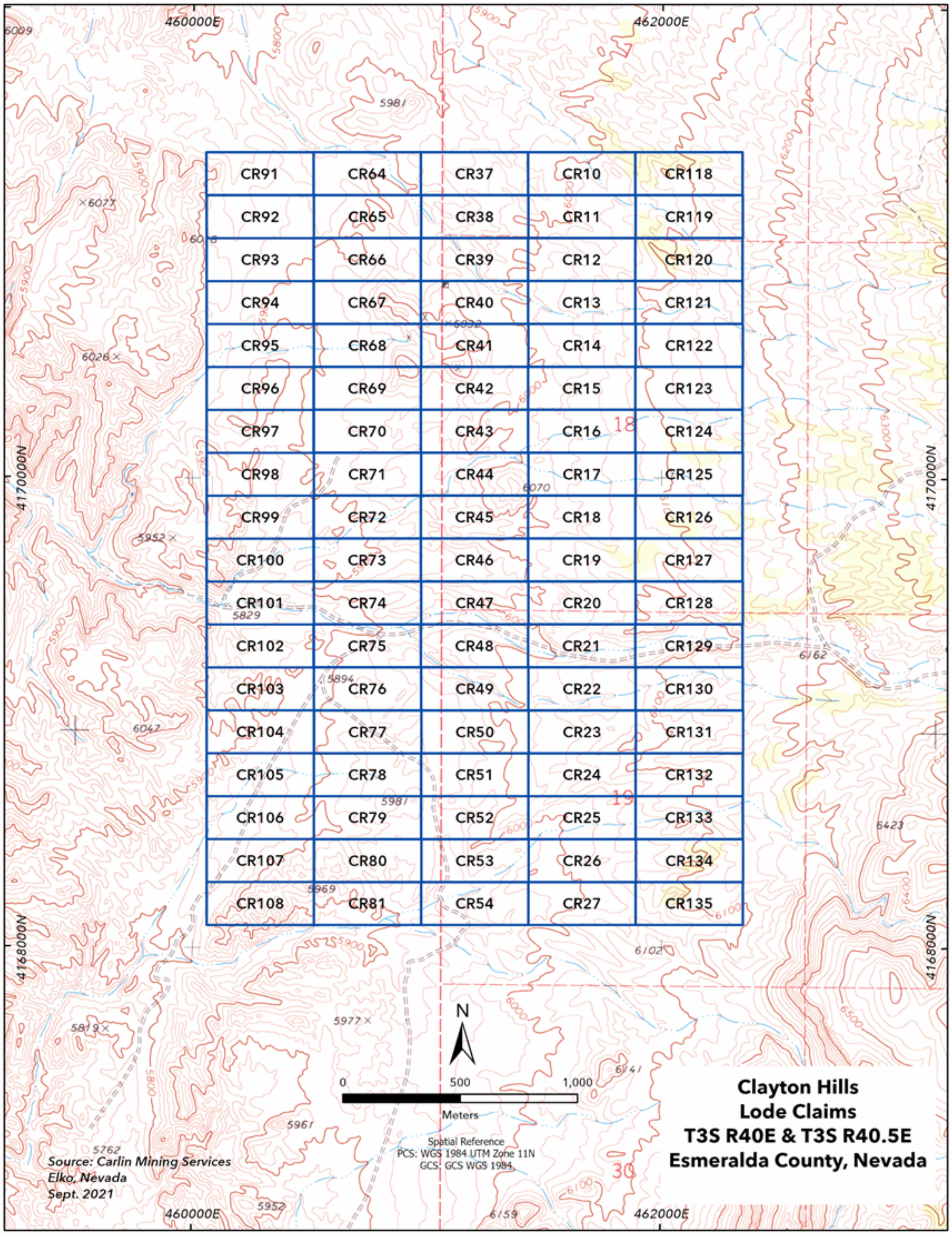
Accessibility

Access into the Clayton Ridge Property area is good and can be reached from the west via Silver Peak in Clayton Valley or from the east via Goldfield in less than an hour drive. Access from Goldfield, Nevada, is by traveling 8.5 km south on U.S. Highway 95, then about 20 km west on East Railroad Springs Road/Jackson Wash Road which traverses the southern Montezuma Range. The claim block can also be reached from Silver Peak by driving about 5km SSW to the sand dunes and then driving east across the Clayton Valley where the road climbs over Clayton Ridge and turns north to the Clayton Ridge claims.

Mineral Tenure

The project is comprised of 90 unpatented lode mining claims listed and outlined in the tables below. The claims are 100% owned by Nevada Alaska Mining Company, Inc. whose address is P.O. Box 2611, Fernley, NV 89408. The block covers 1,760 acres (712.25 ha) and provides Nevada Alaska Mining Company, Inc. with access to all lode minerals on the claims. The claims lie within portions of Township 3S south, Range 40 ½ - 41 east: Mt. Diablo Meridian in the eastern portion of the Clayton Valley, Nevada between Clayton Ridge and the Montezuma Range.

Claim ID	Date Located	Location			Claimant Name	Serial Number	Last Assessment
		T	R	Sec.			
CR10	9/19/2021	3S	41E	7	Nevada Alaska Mng. Co.	105264321	New claim
CR11	9/19/2021	3S	41E	7	Nevada Alaska Mng. Co.	105264322	New claim
CR12	9/19/2021	3S	41E	7/18	Nevada Alaska Mng. Co.	105264323	New claim
CR13	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264324	New claim
CR14	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264325	New claim
CR15	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264326	New claim
CR16	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264327	New claim
CR17	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264328	New claim
CR18	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264329	New claim
CR19	9/19/2021	3S	41E	18/19	Nevada Alaska Mng. Co.	105264330	New claim
CR20	9/12/2021	3S	41E	18/19	Nevada Alaska Mng. Co.	105264331	New claim
CR21	9/12/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264332	New claim
CR22	9/12/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264333	New claim
CR23	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264334	New claim
CR24	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264335	New claim
CR25	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264336	New claim
CR26	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264337	New claim
CR27	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264338	New claim
CR37	9/18/2021	3S	41E	9/16/7	Nevada Alaska Mng. Co.	105264339	New claim
CR38	9/18/2021	3S	41E	16/7/18	Nevada Alaska Mng. Co.	105264340	New claim
CR39	9/18/2021	3S	41E	16/18	Nevada Alaska Mng. Co.	105264341	New claim
CR40	9/18/2021	3S	41E	16/18	Nevada Alaska Mng. Co.	105264342	New claim
CR41	9/18/2021	3S	41E	16/18	Nevada Alaska Mng. Co.	105264343	New claim
CR42	9/18/2021	3S	41E	16/18	Nevada Alaska Mng. Co.	105264344	New claim
CR43	9/18/2021	3S	41E	16/18	Nevada Alaska Mng. Co.	105264345	New claim
CR44	9/18/2021	3S	41E	16/18	Nevada Alaska Mng. Co.	105264346	New claim
CR45	9/18/2021	3S	41E	16/18	Nevada Alaska Mng. Co.	105264347	New claim
CR46	9/12/2021	3S	41E	16/21/18	Nevada Alaska Mng. Co.	105264348	New claim
CR47	9/12/2021	3S	41E	21/18/19	Nevada Alaska Mng. Co.	105264349	New claim
CR48	9/12/2021	3S	41E	21/19	Nevada Alaska Mng. Co.	105264350	New claim
CR49	9/12/2021	3S	40.5/41E	21/19	Nevada Alaska Mng. Co.	105264351	New claim
CR50	9/18/2021	3S	40.5/41E	21/19	Nevada Alaska Mng. Co.	105264352	New claim
CR51	9/18/2021	3S	40.5/41E	21/19	Nevada Alaska Mng. Co.	105264353	New claim
CR52	9/18/2021	3S	40.5/41E	21/19	Nevada Alaska Mng. Co.	105264354	New claim
CR53	9/18/2021	3S	40.5/41E	21/19	Nevada Alaska Mng. Co.	105264355	New claim
CR54	9/18/2021	3S	40.5/41E	21/19	Nevada Alaska Mng. Co.	105264356	New claim
CR64	9/18/2021	3S	40.5 E	9,16	Nevada Alaska Mng. Co.	105264357	New claim
CR65	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264358	New claim
CR66	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264359	New claim
CR67	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264360	New claim
CR68	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264361	New claim
CR69	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264362	New claim
CR70	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264363	New claim
CR71	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264364	New claim
CR72	9/18/2021	3S	40.5 E	16	Nevada Alaska Mng. Co.	105264365	New claim
CR73	9/12/2021	3S	40.5 E	16,21	Nevada Alaska Mng. Co.	105264366	New claim
CR74	9/12/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264367	New claim
CR75	9/12/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264368	New claim
CR76	9/12/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264369	New claim
CR77	9/18/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264370	New claim
CR78	9/18/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264371	New claim
CR79	9/18/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264372	New claim
CR80	9/18/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264373	New claim
CR81	9/18/2021	3S	40.5 E	21	Nevada Alaska Mng. Co.	105264374	New claim
CR91	9/18/2021	3S	40.5 E	8,9,7,16	Nevada Alaska Mng. Co.	105264375	New claim
CR92	9/18/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264376	New claim
CR93	9/18/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264377	New claim
CR94	9/18/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264378	New claim
CR95	9/18/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264379	New claim
CR96	9/18/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264380	New claim
CR97	9/18/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264381	New claim
CR98	9/12/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264382	New claim
CR99	9/12/2021	3S	40.5 E	17,16	Nevada Alaska Mng. Co.	105264383	New claim
CR100	9/12/2021	3S	40.5 E	17,16,20,21	Nevada Alaska Mng. Co.	105264384	New claim
CR101	9/12/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264385	New claim
CR102	9/12/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264386	New claim
CR103	9/12/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264387	New claim
CR104	9/12/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264388	New claim
CR105	9/12/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264389	New claim
CR106	9/12/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264390	New claim
CR107	9/18/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264391	New claim
CR108	9/18/2021	3S	40.5 E	20,21	Nevada Alaska Mng. Co.	105264392	New claim
CR118	9/18/2021	3S	41E	7	Nevada Alaska Mng. Co.	105264393	New claim
CR119	9/19/2021	3S	41E	7	Nevada Alaska Mng. Co.	105264394	New claim
CR120	9/19/2021	3S	41E	7,18	Nevada Alaska Mng. Co.	105264395	New claim
CR121	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264396	New claim
CR122	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264397	New claim
CR123	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264398	New claim
CR124	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264399	New claim
CR125	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264400	New claim
CR126	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264401	New claim
CR127	9/19/2021	3S	41E	18	Nevada Alaska Mng. Co.	105264402	New claim
CR128	9/19/2021	3S	41E	18,19	Nevada Alaska Mng. Co.	105264403	New claim
CR129	9/12/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264404	New claim
CR130	9/12/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264405	New claim
CR131	9/12/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264406	New claim
CR132	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264407	New claim
CR133	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264408	New claim
CR134	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264409	New claim
CR135	9/19/2021	3S	41E	19	Nevada Alaska Mng. Co.	105264410	New claim



All lode claims are unpatented U.S. Federal claims administered by the BLM. The lode claims are a maximum of 600 x 1,500 feet in size or 20.6 acres each. The Clayton Ridge Property is subject to underlying payments (see below) and the claims require annual filing of Intent to Hold and cash payments to the BLM and Esmeralda County totaling USD$167/20 acres or claim. All claims are all in good standing with the BLM and Esmeralda County August 31, 2022.

All mineral rights associated with the unpatented mining claims controlled by Nevada Alaska Mining Company, Inc. are the result of the *General Mining Act 1872* and are on public lands administered by the BLM – Tonopah Field Office. The ownership of the unpatented mining claims was confirmed with inspection of Certificate of Location receipts dated September 12, 18 and 19, 2021.

On October 11, 2021, USCM entered into the Clayton Ridge Option Agreement with the Clayton Ridge Property Optionor to acquire a 100% interest in the Clayton Ridge Property by paying a total of USD$225,000 and issuing an aggregate of 2,500,000 USCM Shares to the Clayton Ridge Property Optionor as follows:

- USD$25,000 in cash upon signing the Clayton Ridge Option Agreement;
- USD$75,000 in cash and issuance of 500,000 USCM Shares on the first anniversary;
- USD$75,000 in cash and issuance of 500,000 USCM Shares on the second anniversary;
- USD$50,000 in cash and issuance of 500,000 USCM Shares upon listing of the USCM Shares on a recognized Canadian stock exchange;
- 1,000,000 USCM Shares upon completion of a NI 43-101 compliant technical report which confirms the presence of 2,000,000 tons of Li carbonate equivalent.

The Clayton Ridge Property Optionor will also maintain a 3% GOR on production, subject to a buy-back provision whereby USCM can purchase back 1% of the GOR from the Clayton Ridge Property Optionor in exchange for USD$1,000,000. USCM also reimbursed USD$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.

Required Permits

Aside from rights assigned to unpatented lode claims, there have not been any permits requested or granted for the Clayton Ridge property. The land is within the jurisdiction of the BLM and all exploration activities, aside from geologic mapping and manual geochemical sampling, will require a permit from the BLM. The activities proposed to be completed on the Clayton Ridge Property can likely be completed within the framework of a NOI. This NOI mandates a surface disturbance of less than five acres and can be permitted within a period of approximately 30 days following the submission of the application including proposed activity maps and remediation plans. Owing to the extent of the Li-bearing units across the claim block along with the limitations placed upon permitted impact under a NOI (<5 acres), a POO will be required to effectively explore the project area.

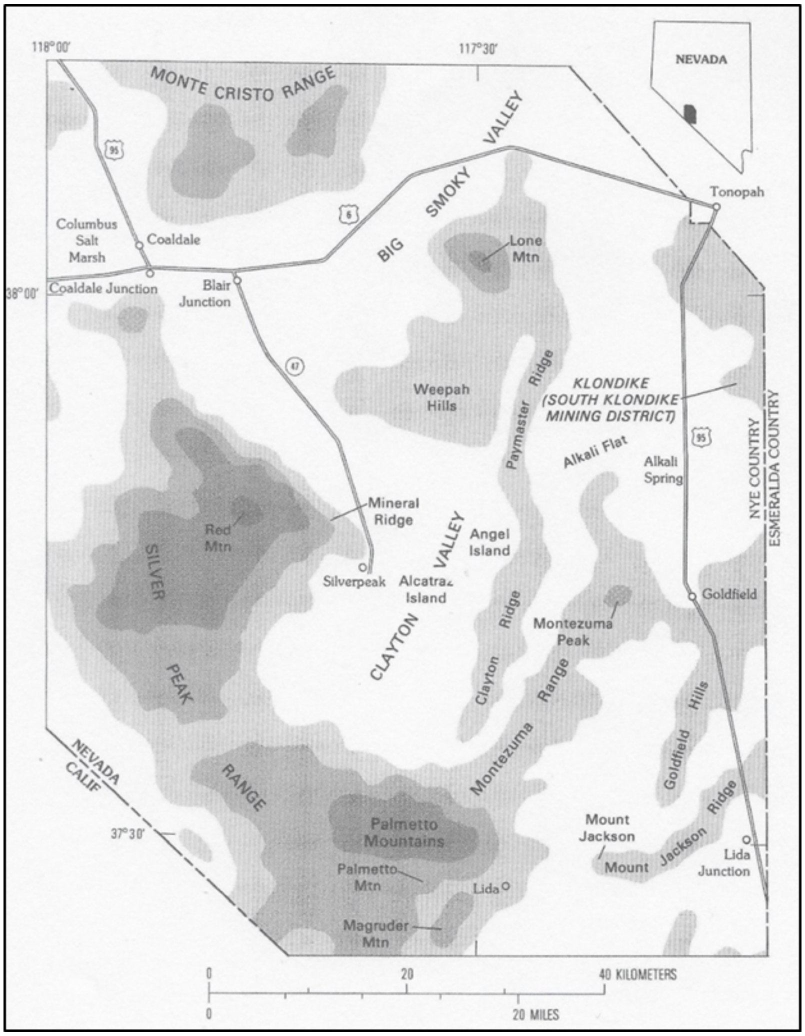
During the qualified person's visit to the Clayton Ridge Property on December 2, 2021, evidence of previous mineral-related activities were not observed. Additionally, there has not been any mining activity to the east and up-stream from the Clayton Ridge Property. It is concluded that there are no existing environmental liabilities within the project area. Nonetheless, these desert settings host an abundance of animal and plant species, all of which are considered to be critical to the ecosystem's balance. Permitting for any mineral-related activity may encounter conditions or species that could delay or deny a project's development.

History

There is no recorded mineral exploration or development activity within the project area. The block of claims making up the Clayton Ridge Property was staked in 2021 and later sampled in mid-2021 in a reconnaissance-type fashion by a Bob Craig summarized in the *Exploration* section below. The author of the Clayton Ridge Report has not identified any mineral-related work on the Clayton Ridge Property prior to 2021.

Regional Geology

Clayton Valley is one of a group of intermediate size valleys in southern Nevada. It has a playa floor of about 100 km^2 that receives surface drainage from an area of about 1300 km^2. The figure below shows the location of the important physiographic features surrounding the Clayton Ridge Property. The Clayton Ridge Property is located east of the Clayton Valley on a structural bench or sub-basin between Clayton Ridge and the Montezuma Range.



Regional basement rocks consist of Precambrian (late Neoproterozoic) to Paleozoic (mostly Cambrian) carbonate and clastic rocks deposited along the ancient western passive margin of North America. Regional shortening and low-grade metamorphism occurred during late Paleozoic and Mesozoic orogenies; along with granite emplacement occurred during the mid- to late-Mesozoic (ca. 155 and 85 My). Low-angle faults or thrusts, mostly less than 20^o, are common in the pre-Tertiary rocks surrounding the Clayton Valley but do not offset the Tertiary rocks. In fact, most of the geologic contacts between pre-Tertiary sedimentary rock units are thrust faults.

The regional geologic setting of the Clayton Valley area consists of linear to curvilinear basins flanked by steep sided ranges composed of mostly Cambrian sedimentary and Tertiary volcanic, volcaniclastic and sedimentary rocks. West of the Clayton Valley, in the Silver Peak Mountains, a Tertiary sequence (caldera) is up to several thousand feet thick. Tertiary volcanic activity took place over several periods: 25–26 My, 21–22 My and 4–7 My; the bulk of the Tertiary sedimentary rocks were deposited between 10–13 My. Tectonic extension began in the late Cenozoic (16 Mya) and continues today.

About 100 km^3 of lava erupted from the Silver Peak volcanic center in the western part of Clayton Valley about 6 Mya. East of Clayton Valley, more than 100 km^3 of Tertiary ash-flow and air-fall tuff is exposed at Clayton Ridge and as far east as Montezuma Peak. These predominantly flat lying pumaceous rocks are interbedded with tuffaceous sediments between Clayton Ridge and Montezuma Peak; but at Montezuma Peak these rocks are altered considerably and dip at angles of as much as 30°. In the Montezuma Range, they are unconformably overlain by rhyolitic agglomerates. The source of these tuff sheets may have been a volcanic center to the east near Montezuma Peak, or to the south in the Montezuma Range, or the Palmetto Mountains, or Mount Jackson, or perhaps even the Silver Peak center to the west. Tertiary sedimentary rocks are exposed in the Silver Peak Range, in the Weepah Hills, and in the low hills east of the Clayton Valley playa.

Clayton Valley is a closed basin near the southwestern margin of the Basin and Range geo-physiographic province of southern Nevada. Horst and graben normal faulting is a dominant structural element of the Basin and Range and likely occurred in conjunction with deformation due to lateral shear stress, resulting in disruption of large-scale topographic features. Tectonic extension began in the late Cenozoic (16 Mya) and continues today.

The Li deposits of the Clayton Valley are contained within a sequence of Tertiary pyroclastic and sedimentary rocks referred to locally as the Esmeralda Formation. The Esmeralda Formation consists of sandstone, shale, lacustral marls, sedimentary breccia, and conglomerate, and is intercalated with volcanic rocks (ash fall tuffs). H.W. Turner's study performed in 1900, he excluded the major ash-flow units and other volcanic rocks in defining the formation.

H.W. Turner's study performed in 1900, he postulated that a large lake, "Lake Esmeralda, bounded on the east by the Montezuma Range, on the west by the Inyo Range, and extending northward an unknown distance from the Palmetto Mountains came into being in Miocene time and probably existed well into the Pliocene. This became the site of deposition of fresh-water sedimentary rocks having a maximum thickness of 14,800 feet". H.G. Ferguson's 1924 study included several thick volcanic members in his description of the Esmeralda Formation. northeast of Clayton Valley. Mapping in the Silver Peak Mountains has identified at least three discrete units of sedimentary rocks separated stratigraphically by thick sections of volcanic rock. They state that H.W. Turner's Esmeralda in the Silver Peak Mountains is not a continuous sedimentary cycle but, instead, contains volcanic phases intercalated with diverse sedimentary rocks.

The Li-bearing rocks within the Clayton Ridge Property are referred to as "Tuffaceous and other young Tertiary sedimentary rocks" in digital geologic models generated by the Nevada Bureau of Mines. This unit is believed to have a strong volcanic component. In northern Nye County, the unit is referred to as the Horse Camp Formation which correlates with the Esmeralda Formation in Mineral and Esmeralda Counties. It has also been correlated with older lake beds in southern Nye, Lincoln, Clark and Humboldt counties. It corresponds to units Ts3 and Tts from the 1978 State map and is present in all counties of Nevada. The geologic age is considered to be Pliocene and Miocene and is likely regionally widespread reflecting regional similarities in volcanic history and magma chemistry along with structural development of Miocene-Pliocene basins and paleoclimate.

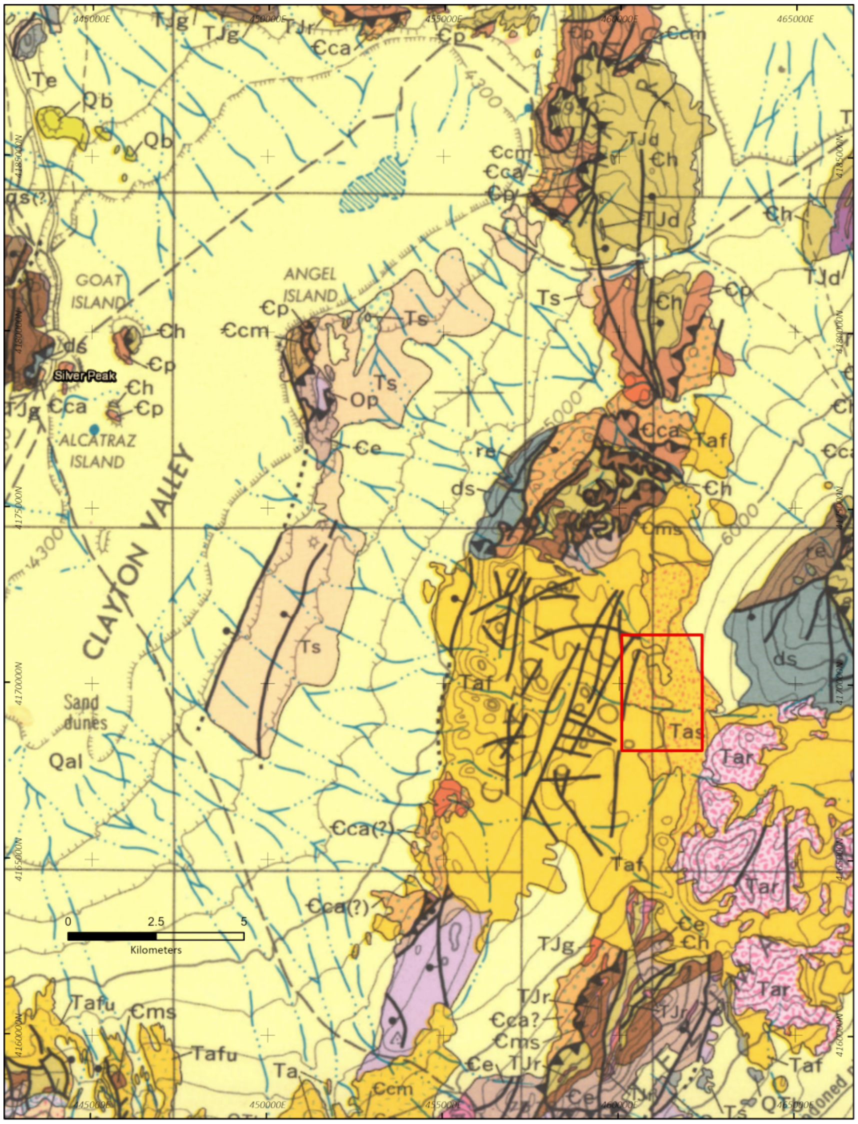
The rocks of the Esmeralda Formation in and around Clayton Valley apparently represent sedimentation in several discrete Miocene-Pliocene sub-basins. The age of the lower part of the Esmeralda Formation in Clayton Valley is not known, but an air-fall tuff in the uppermost unit of the Esmeralda Formation has a K-Ar age of 6.9 ± 0.3 My. Extensive diagenetic alteration of vitric material (obsidian + pumice) to zeolites and clay minerals has taken place in the tuffaceous sandstone and shale of the Esmeralda Formation, and anomalously high Li concentrations (as much as 120 ppm Li) accompany the alteration. However, Li concentrations in these rocks generally are less than 200 ppm except where smectite is present, and the high Li concentration associated with smectite is confined to the Esmeralda Formation exposed east of the playa.

Clayton Ridge Property Geology

Detailed geologic mapping of the Clayton Ridge Property has yet to be completed and only regional mapping is available for this discussion. This reference, along with a site visit on December 2, 2021, allow for a few observations.

The project's shallow topography is composed of a beige to white, highly reflective unit that is clearly stratified. Large expanses of low-lying outcrops are composed of finely laminated rocks; well-developed bedding (<25 cm) is associated with units with a greater tuff (ash) component. In contrast, the very finely laminated, fissile mudstone and claystone beds are olive to gray where fresh and weather to a very white or bleached appearance. Within the Clayton Ridge Property, these finely laminated claystone beds appear to contain the highest Li values. Only a single, roughly east-west section across the Li-bearing beds was examined along a road/drainage during the December 2, 2021 visit. The historical work, including this visit, do not provide enough information to comment on the length, width, depth and continuity of mineralization.

The fine-grained, sedimentary rocks appear to be capped and floored by tuffaceous units which likely contain less Li. Dips within this unit are shallow and generally less than 20^{o}; the approximate thickness of the claystone unit along this traverse is likely less than 30 metres. This sedimentary facies appears to diminish to the south and, consequently, may thicken to the north allowing for greater thicknesses. Although both the upper and lower contacts can be observed along this traverse, the stratigraphic relation with the adjacent volcanic units is unclear if faulting locally plays a role in the unit's thickness. Northeast-trending faults, shown in the figure below, may offset the section thereby obscuring the direct measurement of the unit's thickness.



It is easy to assume that the Li-bearing unit is correlative with the Li-bearing units to the west in the main Clayton Valley and elsewhere. However, the observation that the fine-grained sedimentary rocks may have been deposited during distinct, intra-basinal settings allows for isolated, Li-bearing sequences in sub-basins or stacked sequences contained in isolated, intra-volcanic Li-bearing packages vs a specific Li-rich unit that can be project over great distances. If the felsic tuffs represent the original source of Li, then the tuffs were likely derived from the same volcanic vent or magma chamber during the evolution of the basin during Basin and Range tectonism.

Sampling conducted on December 2, 2021 recognized features normally not observed in the Li-bearing claystone deposits of Nevada. A few samples revealed a conchoidal fracture and an elevated hardness suggesting silicification; iron oxide-rich beds were also present suggesting the oxidation of pyrite. One sample (#CR-16) revealed opaline chalcedony (low-temperature) as fracture filling botryoidal masses, veinlets and breccia matrix. Both the opaline chalcedony and silicified sediments suggest a low-temperature hydrothermal event possibly related to hot spring activity. There are reports of paleo-hot springs, i.e. sinter deposits, along the flanks of the Montezuma Mountains which would have post-dated the Li-bearing sediments. The impact of this event on Li distribution is not known.

Deposit Type

Li has been identified in potentially economic concentrations in three types of deposits: pegmatites, continental brines, and clays. Brines are the largest producer of Li worldwide with the only active Li producer in the United States located in Clayton Valley. Lesser amounts of Li are produced from pegmatites rich in the minerals spodumene and lepidolite. There is currently no active mining of Li clay deposits although the Clayton Valley hosts several advanced exploration and development projects at different stages.

Li in the clay-hosted deposits is often associated with the smectite (montmorillonite) group minerals. In this model (Model 251.3) of smectite-hosted Li in closed basins, three forms of genesis for clay Li deposits are proposed: (1) alteration of volcanic glass to Li-rich smectite; (2) precipitation from lacustrine waters; and (3) incorporation of Li into existing smectites. In each case, the depositional/diagenetic model is characterized by abundant magnesium, silicic volcanic rocks, and an arid environment.

Regional geologic traits of Li clay deposits include a basin-and-range or other rift tectonostratigraphic setting characterized by bimodal volcanism, crustal extension, and high rates of sedimentation. The depositional environment is limited to arid, closed basins of tectonic or caldera origin, with an age of deposition ranging from Paleocene to Holocene. Host rocks include volcanic ashes, pre-existing smectites, and lacustrine beds rich in calcium and magnesium.

A study by D. Bradley, et al in 2013 believes that rhyolitic volcanic rocks may be the ultimate source of Li in brines beneath the playa in Clayton Valley, Nevada, one of the world's largest Li deposits. A Tertiary, high-silica rhyolite flow capping the western Montezuma Range, east of Clayton Valley, and an underlying rhyolite ash-flow tuff sequence both contain anomalously high amounts of Li. Li is most concentrated in unweathered obsidian and in gray, relatively unweathered ash-flow tuff, indicative of magmatic concentrations considerably higher than normal igneous rocks (Li up to 228 ppm, more than five times typical concentrations in granites and rhyolites or the median value for rhyolitic obsidians). Perlite and oxidized, devitrified rhyolite contain considerably less Li than unaltered obsidian. Li in the ash-flow tuff is depleted from 119–192 ppm in the least altered rock down to 23–34 ppm in nearby oxidized samples. Leaching from these rocks, by weathering and other alteration, could have yielded more than enough Li to account for the resource in the Clayton Valley brines. If the volcanic tuffs are the ultimate source of Li, the elevated Li values in the sedimentary claystone units relative to the volcanic tuff-rich beds suggest processes active during basin development and/or diagenesis.

The Clayton Ridge Property is reasonably well represented by the USGS preliminary deposit model, which describes the most readily ascertainable attributes of such deposits as light-colored, ash-rich, lacustrine rocks containing swelling clays, occurring within hydrologically closed basins with some abundance of proximal silicic volcanic rocks. At the Clayton Valley deposit, the Li concentrations are highest within the mudstone and claystone, but Li is still also present in a siltstone unit underlying the claystone. The deposition of the Li-rich sediments likely occurred late in the history of the associated paleo-brine lake, based largely on the stratigraphic position of the mudstone and claystone above the thick overall sandstone- and siltstone-dominated basin fill events. In their 2021 study, T.S. Fayram, et al state, "Such a setting would be ideal for concentration of Li from ash and groundwater inputs over an extensive period. As a result, the Li-rich strata may represent several My of Li input and concentration within the basin".

Exploration

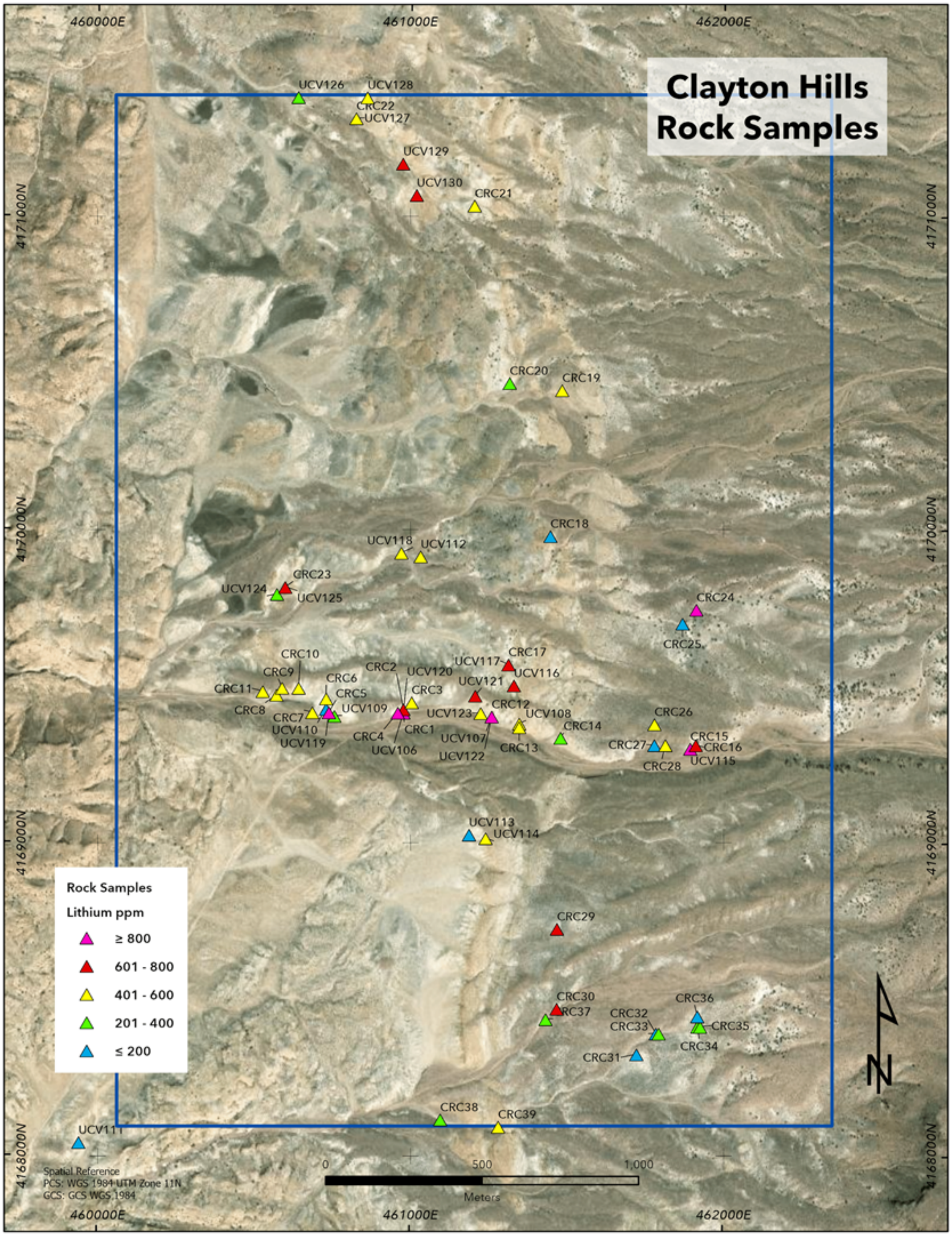
USCM has not conducted any exploration on the Clayton Ridge Property and all knowledge of the Clayton Ridge Property is based upon limited sampling by the Clayton Ridge Property Optionor, due diligence sampling by the author of the Clayton Ridge Report and geological maps produced by government agencies. Additionally, limited exploration activities at the Clayton Ridge Property are preliminary in nature. Initial reconnaissance-type sampling was conducted by Bob Craig in 2021. Geologic mapping has not been conducted over the Clayton Ridge Property and only a regional understanding of the geology is presented in the *"Geological Setting, Mineralization and Deposit Types"* section above.

The only sampling conducted on the Clayton Ridge Property was conducted by Bob Craig in 2021, the results of which are set out in the table below and figure below. The results reveal strongly anomalous Li values across the entire section. The sedimentary and tuffaceous units strike roughly N-S and dips are gentle (<20^{o}) to the west. There appears to have been 2 campaigns of surface rock sampling and analyzed by different labs, ALS and AAL. A total of 64 samples were analyzed and ranged from 62.5 to 950 ppm; the samples averaged 517 ppm Li.

The author of the Clayton Ridge Report has not been able to confirm whether these samples are representative or if biases were introduced. Due diligence sampling conducted by the author of the Clayton Ridge Report confirmed anomalous Li values across beds sampled by Bob Craig in 2021. Li 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 that specific site.

All expenditures on the Clayton Ridge Property over the previous two-year period from the date of this Filing Statement have been nominal.

Sample ID	East WGS84 UTM	North WGS84 UTM	Assay Method	Assay Lab	Ca(%) ME-MS41	Ca (%) ICP 5AM4	Li (ppm) ME-MS	Li (ppm) ICP 5AM4	Mg (%) ME-MS41	Mg (%) ICP 5AM4
CRC1	460,977	4,169,416	ME-MS41	ALS	3.41		830		2.13	
CRC2	460,977	4,169,427	ME-MS41	ALS	3.49		800		2.02	
CRC3	461,003	4,169,449	ME-MS41	ALS	2.45		470		1.38	
CRC4	460,959	4,169,416	ME-MS41	ALS	3.99		950		2.14	
CRC5	460,739	4,169,417	ME-MS41	ALS	1.74		890		2.6	
CRC6	460,730	4,169,462	ME-MS41	ALS	0.97		560		1.84	
CRC7	460,686	4,169,417	ME-MS41	ALS	1.16		404		1.13	
CRC8	460,571	4,169,473	ME-MS41	ALS	1.31		510		1.88	
CRC9	460,589	4,169,496	ME-MS41	ALS	2.14		590		2.01	
CRC10	460,642	4,169,495	ME-MS41	ALS	2.95		439		1.59	
CRC11	460,527	4,169,485	ME-MS41	ALS	1.34		510		1.79	
CRC12	461,259	4,169,404	ME-MS41	ALS	1.53		820		2.12	
CRC13	461,347	4,169,370	ME-MS41	ALS	4.68		430		1.69	
CRC14	461,479	4,169,336	ME-MS41	ALS	8.6		310		1.48	
CRC15	461,893	4,169,301	ME-MS41	ALS	2.15		830		2.75	
CRC16	461,911	4,169,312	ME-MS41	ALS	6.4		680		2.28	
CRC17	461,313	4,169,570	ME-MS41	ALS	3.86		720		2.67	
CRC18	461,447	4,169,980	ME-MS41	ALS	1.13		194		0.72	
CRC19	461,484	4,170,445	ME-MS41	ALS	5.46		450		1.83	
CRC20	461,317	4,170,468	ME-MS41	ALS	1.63		310		1.19	
CRC21	461,205	4,171,035	ME-MS41	ALS	2.04		401		1.64	
CRC22	460,827	4,171,314	ME-MS41	ALS	0.47		490		1.84	
CRC23	460,599	4,169,817	ME-MS41	ALS	3.57		680		2.41	
CRC24	461,913	4,169,744	ME-MS41	ALS	7.52		840		2.69	
CRC25	461,869	4,169,700	ME-MS41	ALS	1.75		140		0.81	
CRC26	461,779	4,169,379	ME-MS41	ALS	2.48		436		2.08	
CRC27	461,779	4,169,312	ME-MS41	ALS	0.6		62.5		0.45	
CRC28	461,814	4,169,312	ME-MS41	ALS	1.05		480		2.05	
CRC29	461,467	4,168,726	ME-MS41	ALS	2.7		700		2.62	
CRC30	461,466	4,168,471	ME-MS41	ALS	1.15		700		2.39	
CRC-31	461,721	4,168,325	ME-MS41	ALS	0.63		167		0.64	
CRC-32	461,783	4,168,392	ME-MS41	ALS	0.81		102.5		0.76	
CRC-33	461,792	4,168,391	ME-MS41	ALS	1.06		335		1.58	
CRC-34	461,916	4,168,413	ME-MS41	ALS	0.9		300		1.18	
CRC-35	461,925	4,168,413	ME-MS41	ALS	0.72		219		1	
CRC-36	461,916	4,168,446	ME-MS41	ALS	0.66		193.5		0.86	
CRC-37	461,431	4,168,438	ME-MS41	ALS	0.65		226		0.96	
CRC-38	461,094	4,168,117	ME-MS41	ALS	1.14		383		1.11	
CRC-39	461,279	4,168,094	ME-MS41	ALS	1.91		500		1.83	
UCV106	460,977	4,169,416	ICP-5AM48	AAL		4.05		930.9		2.68
UCV107	461,259	4,169,404	ICP-5AM48	AAL		1.69		873.0		2.63
UCV108	461,347	4,169,381	ICP-5AM48	AAL		3.32		480.5		2.03
UCV109	460,756	4,169,406	ICP-5AM48	AAL		0.78		347.0		1.52
UCV110	460,730	4,169,428	ICP-5AM48	AAL		1.43		86.6		0.53
UCV111	459,938	4,168,045	ICP-5AM48	AAL		2.63		96.1		0.58
UCV112	461,032	4,169,915	ICP-5AM48	AAL		4.18		495.5		2.40
UCV113	461,187	4,169,027	ICP-5AM48	AAL		1.13		115.1		0.69
UCV114	461,239	4,169,015	ICP-5AM48	AAL		3.69		486.5		1.87
UCV115	461,893	4,169,301	ICP-5AM48	AAL		4.28		823.0		3.04
UCV116	461,330	4,169,503	ICP-5AM48	AAL		5.54		677.5		2.71
UCV117	461,313	4,169,570	ICP-5AM48	AAL		4.78		727.6		3.05
UCV118	460,970	4,169,926	ICP-5AM48	AAL		3.13		456.2		2.97
UCV119	460,739	4,169,417	ICP-5AM48	AAL		2.66		885.8		2.89
UCV120	460,977	4,169,416	ICP-5AM48	AAL		3.90		826.2		2.46
UCV121	461,206	4,169,470	ICP-5AM48	AAL		2.92		659.8		2.42
UCV122	461,259	4,169,404	ICP-5AM48	AAL		4.29		752.4		2.44
UCV123	461,224	4,169,415	ICP-5AM48	AAL		1.40		513.7		1.54
UCV124	460,573	4,169,795	ICP-5AM48	AAL		2.27		278.1		1.25
UCV125	460,599	4,169,817	ICP-5AM48	AAL		3.25		761.8		2.59
UCV126	460,642	4,171,381	ICP-5AM48	AAL		10.82		382.3		2.39
UCV127	460,827	4,171,314	ICP-5AM48	AAL		0.91		670.3		2.40
UCV128	460,863	4,171,380	ICP-5AM48	AAL		3.26		426.3		1.58
UCV129	460,976	4,171,169	ICP-5AM48	AAL		1.63		624.7		2.46
UCV130	461,020	4,171,069	ICP-5AM48	AAL		6.74		646.7		2.42



Drilling

No drilling has been conducted on the Clayton Ridge Property.

Sampling, Analysis and Security

USCM has not conducted sampling on the Clayton Ridge Property. The limited sampling that has been done was performed by Bob Craig in 2021. The analyses of these historical rock sampling have been conducted at certified analytical facilities in Reno, Nevada. Initial rock samples were analyzed at ALS using ICP-MS with an aqua regia digestion. Subsequently, 25 additional samples were collected and analyzed at AAL using the same technique but with a 5-acid digestion. All analytical reports for this work were provided to the author of the Clayton Ridge Report by Barbara Craig, Bob Craig's widow.

Since this initial sampling, Bob Craig has passed away and security measures for the collection and transport of these initial samples cannot be confirmed. ALS and AAL employ a global quality management system that meets all requirements of international standards ISO/IEC 17025:2017 and ISO 9001:2015. The quality control program includes quality control steps through sample preparation and analysis, inter-laboratory test programs, and regular internal audits. Despite the author of the Clayton Ridge Report's inability to confirm aspects of the chain of custody in this initial sampling, the overall procedure is considered adequate considering sample results from the author of the Clayton Ridge Report's verification visit. The qualified person has confirmed that neither ALS nor AAL have a relationship with the Holly Street nor USCM.

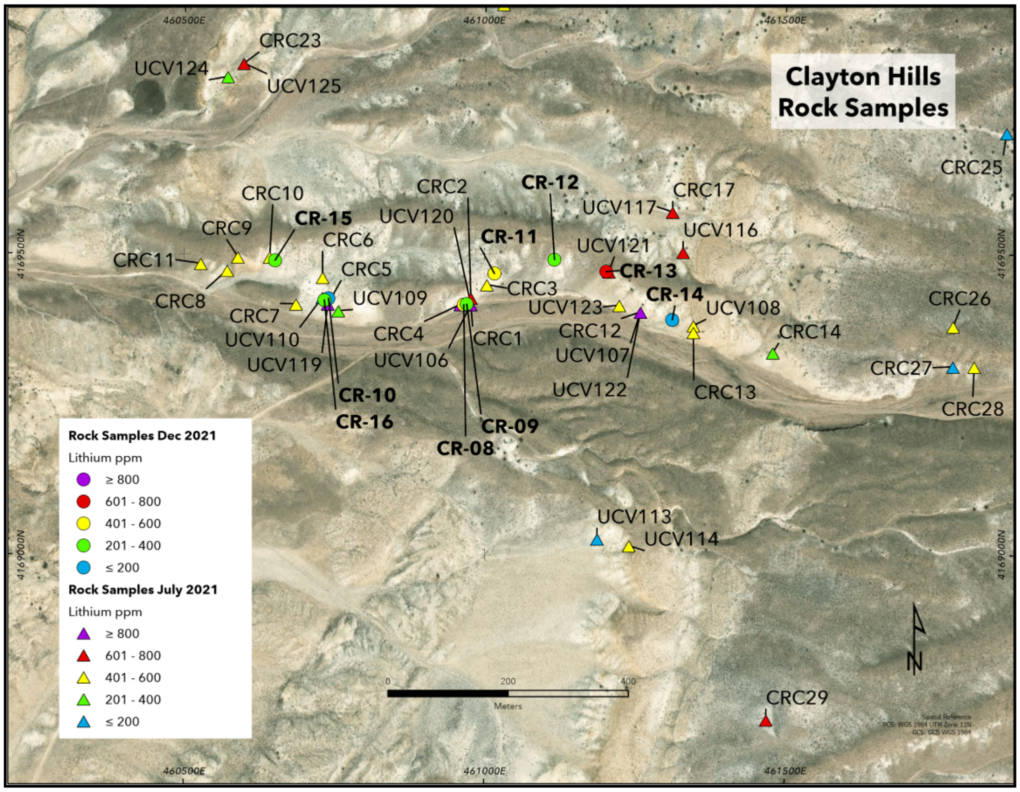
Data Verification

The Clayton Ridge Property, was visited on December 2, 2021 by the author of the Clayton Ridge Report and Marco Montecinos. Previous sampling has been conducted in the area and anomalous Li values were identified in exposures of a fissile, finely laminated mudstone or claystone. These exposures rim a shallow east-west drainage which is floored by alluvium derived from the same lacustrine deposits as well as older rocks from the Montezuma Mountains. The Li-rich beds flanking this extensive basin are mantled by a thin veneer of colluvium derived from the surrounding rock formations.

A traverse was conducted across the extensive exposures of Li-bearing sediments and several sites were 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. The below table sets of the location, description and analytical results (Li, Mg and Ca) for samples collected by the author of the Clayton Ridge Report on December 2, 2021.

Project	Sample No.	Date	Sampler	Location (NAD83)			Sample Type	Sample Length (m)	Sample Weight (kg)	Lab	Method	Li (ppm)	Mg (%)	Ca (%)	Comments/Description
				Northing	Easting	Elevation									
CR	CR-08	12/2/2021	RJ	4169415	460966	5948	Chip/channel	0.5	1.47	AA	ICP-2AM48	476.7	1.3	2.0	Olive grn claystone; fissile; brittle; below tuff beds
CR	CR-09	12/2/2021	RJ	4169416	460971	5938	Chip/channel	1.5	0.96	AA	ICP-2AM48	235.1	1.0	2.2	Ledge - bedded tuffs; fnly lam'd w/ thin clay beds
CR	CR-10	12/2/2021	RJ	4169426	460741	5931	Chip/channel	1	0.92	AA	ICP-2AM48	158	0.8	2.5	Fnly lam'd claystone; wh-tan-olive; conchoidal fx; wk silic w/ chalc vnlts
CR	CR-11	12/2/2021	RJ	4169467	461017	2094	Chip/channel	1	0.91	AA	ICP-2AM48	549.4	1.6	2.3	Olive to white claystone; w/ wh-beige tuff beds
CR	CR-12	12/2/2021	RJ	4169490	461117	5968	Chip/channel	1	1.43	AA	ICP-2AM48	205.3	0.8	1.6	Olive - beige claystone; widely silic'd w/ py casts; tuff beds
CR	CR-13	12/2/2021	RJ	4169470	461203	5973	Chip/channel	0.5	0.54	AA	ICP-2AM48	720.1	2.4	3.6	Gy-olive lam'd claystone; ~10m below capping ledge
CR	CR-14	12/2/2021	RJ	4169390	461313	5976	Chip/channel	1	0.8	AA	ICP-2AM48	82.4	0.7	1.9	Wh, fissile claystone between wh, leached tuff beds
CR	CR-15	12/2/2021	RJ	4169489	460652	5901	Chip/channel	1	1.21	AA	ICP-2AM48	231.8	1.0	1.4	Olive green claystone; fissile
CR	CR-16	12/2/2021	RJ	4169423	460734	5928	Chip/channel	0.5	1.01	AA	ICP-2AM48	286.4	1.1	3.4	Lam'd olive-beige claystone; conchoidal fx; abund botry chalc along fx

A total of nine rock samples were collected from outcrops and sub-crops along an east-west drainage which traverses the Li-bearing horizons as defined by Bob Craig in his 2021 study. The location and description of these samples are provided in the table above along with the analytical results for selected elements (Li, Mg and Ca). The sample sites are shown in the figure below.



All samples were collected, bagged and transported by the author of the Clayton Ridge Report to AAL in Reno. Once delivered:

- Samples were crushed and pulverized; and
- Samples were analyzed employing the ICP-5AM48 (5 acid digestion; Inductively Coupled Plasma Mass Spectroscopy; 0.5 gm sample; 48 elements).

The lower limit of detection for Li was 0.2 ppm. AAL has inserted several blanks and standards into the job and serves as their internal quality assurance/quality control procedure.

Following from the December 2, 2021 site visit, high Li variabilities in the rocks reflect both the influence of the depositional environment and the effect of surficial leaching by surface agents. Sampling of the outcrops and/or sub-crops reveals that Li values are generally in excess of 200 ppm. Because Li is contained in the smectite structure and appears to readily leach in a low potential hydrogen solution, near surface depletion of Li should not be a surprise. The most weathered sample collected on December 2, 2021 is CR-14, which contained 82.4 ppm Li, is a strongly bleached (white) claystone. The highest values appear to be associated with the olive-green claystone. The Li contents for the nine samples ranged between 82.4 to 720.1 ppm Li. These results compare reasonably well with those collected in July, 2021 and adequately confirm the presence of strongly anomalous Li contents in sedimentary claystone beds.

Mineral Processing and Metallurgical Testing

There has not been any metallurgical testing on mineralized rock from the Clayton Ridge Property.

Mineral Resource Estimates

There are no mineral resource estimates for the Clayton Ridge Property.

Exploration, Development and Production

Please refer to *"Part V – Information Concerning the Resulting Issuer – Narrative Description of the Business"* for more information on the proposed exploration and development of the Clayton Ridge Property.

Management's Discussion and Analysis

Selected Financial Information and Management's Discussion and Analysis

The table below sets out certain financial data for USCM in respect of the periods for which financial information is included elsewhere in this Filing Statement. This information should be read in conjunction with the audited consolidated financial statements for the period from incorporation, on July 12, 2021, to January 31, 2022 and the notes thereto set out in Appendix C, as well as the Management's Discussion and Analysis for the period from incorporation to January 31, 2022 set out in Appendix D.

The requisite financial data presented for the relevant period has been prepared in accordance with IFRS as issued by the IASB and interpretations issued by the IFRIC.

All amounts presented in the management's discussion and analysis have been presented in Canadian dollars, unless otherwise specified.

Income Statement Data	July 12, 2021 (Formation) – January 31, 2022 $
Total revenue	Nil
Net income (loss)	(419,011)
Total operating expenses	(419,011)
Total assets	32,117
Total liabilities	205,139
Dividends	Nil

Description of Securities

Common Shares

USCM is authorized to issue an unlimited number of common shares with 25,000,100 USCM Shares being issued and outstanding as of the date hereof. All of the outstanding USCM Shares have been validly issued, fully paid and non-assessable. The USCM Shares are without par value and entitle the holders thereof to receive notice of, attend and vote at all meetings of the shareholders of USCM. Each USCM Share carries one vote at such meetings. Holders of USCM Shares are entitled to dividends as and when declared by the USCM Board. In the event of the voluntary or involuntary liquidation, dissolution or winding-up of USCM, after payment of all outstanding debts, the remaining assets of USCM available for distribution will be distributed to the holders of USCM Shares.

USCM Warrants

USCM currently has 25,000,000 USCM Shares reserved for issuance pursuant to the exercise of 25,000,000 USCM Warrants expiring on August 10, 2026 and having the exercise price of $0.10 USCM Share.

Other than pursuant to the exercise of the USCM Warrants convertible into USCM Shares, the 5,000,000 USCM Shares to be issued as compensation in connection with the terms of the Haynes Option Agreement and the Clayton Ridge Option Agreement no Person has any agreement, option or right to acquire or capable of becoming an agreement for the purchase or acquisition of any of the unissued USCM Shares or any other securities of USCM, and there are no other outstanding securities or instruments which are convertible into or exchangeable for USCM Shares.

USCM Shares Potentially Payable as Deferred Consideration

Pursuant to the Haynes Option Agreement, upon the Completion of the Qualifying Transaction, USCM will pay deferred consideration of 2,500,000 USCM Shares (2,500,000 Resulting Issuer Shares, post-Qualifying Transaction) to the Haynes Property Optionors.

Pursuant to the Clayton Ridge Option Agreement Option Agreement, USCM will pay certain amounts of USCM Shares to the Clayton Ridge Property Optionor, as deferred consideration upon the completion of the following milestones:

- 500,000 USCM Shares on October 11, 2022;
- 500,000 USCM Shares on October 11, 2023;
- 500,000 USCM Shares upon on the Completion of the Qualifying Transaction; and
- 1,000,000 USCM Shares upon completion of the Clayton Ridge Report, which must confirm the presence, on the Clayton Ridge Property, of at least 2,000,000 tons of Li carbonate equivalent.

Consolidated Capitalization

Designation of Security	Amount Authorized	Amount Outstanding as of January 31, 2022	Amount Outstanding as of the date of the Filing Statement
USCM Shares	Unlimited	25,000,100	25,000,100
USCM Shares underlying USCM Warrants	-	25,000,000	25,000,000

Prior Sales

USCM has issued the following securities since the date of incorporation to the date of this Filing Statement.

Date	Type of Security	Number of Securities	Price per Security	Consideration Received
July 12, 2021(1)	Common Shares	100	$0.01	Cash
August 10, 2021(2)	Common Shares	25,000,000	$0.01	Cash
August 10, 2021(2)	Warrants	25,000,000	$0.10	Warrants

Notes:
(1) Issued pursuant to the incorporation of USCM.
(2) Issued pursuant to the USCM Private Placement.

Market For Securities

No securities of USCM are listed or traded on any exchange or quotation service.

Executive Compensation

Compensation Discussion and Analysis

At no time prior to the date of this Filing Statement was USCM a reporting issuer for the purposes of Securities Laws. Significant elements of the compensation to be awarded to, earned by, paid to or payable to named executive officers of the Resulting Issuer following the Closing, to the extent it has been determined, is set forth in "*Part V - Information Concerning the Resulting Issuer*".

Management Contracts

Management functions of USCM are, and since incorporation have been, performed by the directors of USCM, and are not to any substantial degree performed by any other person or corporation.

Non-Arm's Length Transactions

Since incorporation on July 12, 2021, there have been no material transactions up to the date of this Filing Statement, or proposed, in which any director, officer, Promoter or principal stockholder of USCM or associates or affiliates thereof have or have had a material interest except as set out below:

1. Gowling WLG (Canada) LLP, a law firm in which Peter Simeon, a director of USCM, is a partner, charged fees of $308,402.78 for legal services provided to USCM. As of the date of the Filing Statement, $290,584.10 owing to Gowling WLG (Canada) LLP was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

2. Branson Corporate Services Ltd., where Keith Li, USCM's chief financial officer and corporate secretary is employed, charged fees of $28,887 (not including applicable taxes) for chief financial officer services provided to USCM, as well as other accounting and administrative services. As of the date of the Filing Statement, $18,921 owing to Branson Corporate Services Ltd. was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

3. Darren Collins, USCM's Chief Executive Officer participated in the USCM Private Placement, and subscribed for 5,000,000 USCM Units, for total gross proceeds to USCM of $50,000.

Legal Proceedings

Management of USCM is not aware of any legal proceedings, contemplated or actual, involving USCM, which could materially affect USCM.

Material Contracts

USCM has not entered into any material contracts, except in the ordinary course of business, within the two years before the date of this Filing Statement other than:

(a) the Business Combination Agreement;

(b) Haynes Option Agreement; and

(c) The Clayton Ridge Option Agreement.

Copies of these agreements are available for inspection at the head office of USCM, during ordinary business hours until the Closing Date and for a period of 30 days thereafter, and can be made available electronically upon request by e-mail to kli@bransonservices.com.

Auditor, Transfer Agent and Registrar

The auditor of USCM is Clearhouse LLP, Chartered Professional Accountants, 2560 Matheson Blvd E., Suite 527, Mississauga, Ontario L4W 4Y9.

USCM does not currently employ a transfer agent or registrar.

PART V – INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Qualifying Transaction basis and is reflective of the projected business, financial and share capital position of the Resulting Issuer. This section only includes information respecting the Resulting Issuer that is materially different from information provided earlier in this Filing Statement. Following the Completion of the Qualifying Transaction, the Resulting Issuer will carry on the businesses currently carried on by USCM. See the various headings under *"Part III – Information Concerning Holly Street"* and *"Part IV – Information Concerning USCM"* for additional information regarding Holly Street and USCM, respectively. See also the Pro Forma Financial Statements of the Resulting Issuer attached hereto as Appendix F.

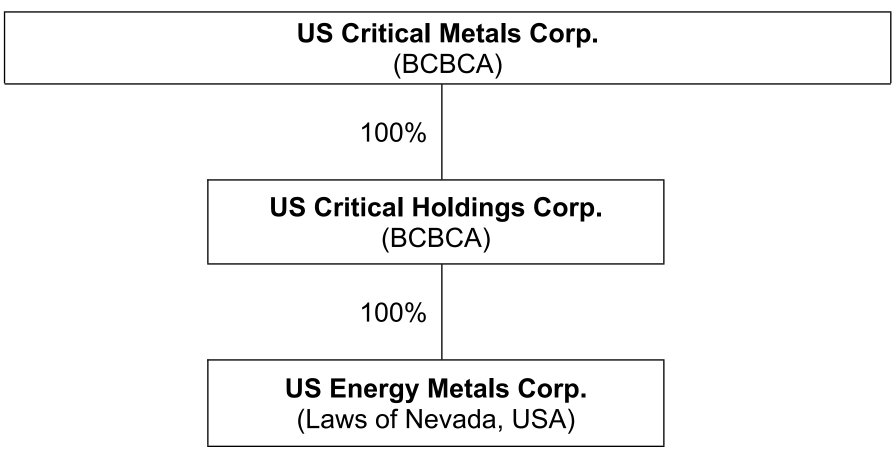
Corporate Structure

Name and Incorporation

The corporate name of the Resulting Issuer will be "US Critical Metals Corp." or such other name as may be determined by Holly Street and USCM subject to Exchange approval. The Resulting Issuer will be governed by the BCBCA. Following completion of the Business Combination, the Resulting Issuer's registered and head office will be located at Suite 2300–550 Burrard Street, Vancouver, BC V6C 2B5.

Intercorporate Relationships

Following the Completion of the Qualifying Transaction, the Resulting Issuer will own, directly or indirectly, 100% of the issued and outstanding shares of USCM. The chart below represents the anticipated corporate structure of the Resulting Issuer.



Narrative Description of the Business

Upon completion of the Business Combination, the Resulting Issuer will be focused on mining projects that will further secure the U.S. supply of critical metals, which are essential to fuelling the new age economy. The Resulting Issuer will primarily focus on the exploration of the Haynes Property, Clayton Ridge Property, and the acquisition of additional properties, which is currently being carried on by USCM. See "*Part IV - Information Concerning USCM – Narrative Description of the Business*" above.

The following disclosure contains forward-looking statements, including with respect to the Resulting Issuer's business objectives and milestones. Such statements involve known and unknown risks, uncertainties and other factors outside of management's control, including the risk factors set forth elsewhere in this Filing Statement that could cause results to differ materially from those described or anticipated in such forward-looking statements.

Upon Completion of the Qualifying Transaction, the Resulting Issuer will carry on the business of USCM. See *"Part IV – Information Concerning USCM – Narrative Description of the Business"* above and *"Part V – Information Concerning the Resulting Issuer – Stated Business Objectives"*, *"Part V – Information Concerning the Resulting Issuer – Milestones"* and *"Part V – Information Concerning the Resulting Issuer – Exploration and Development Activities"* below.

Stated Business Objectives, Milestones, Exploration and Development Activities

Through sampling and drill programs commingled with geophysical surveys, the Resulting Issuer is intending to commence systematic exploration programs in 2022 to identify new areas of mineralization and define drill targets.

Haynes Property

In order to advance the stated business objectives, the first phase of exploration for the Haynes Property intends to do the following:

- Complete an induced polarization survey of 10 line-km at 200-metre spacings to identify the electrical chargeability of subsurface materials and further define potential drill targets;
- Utilize geophysics to define the location and orientation of the structures feeding the mineralization;
- Conduct a property-wide geological mapping and sampling program to better understand the mineralization and to identify additional target areas;
- Develop a digital three-dimensional definition of the location and orientation of the structures that control and contain the mineralization; and
- Upon completion of maps, sections and analytical results, define a core drilling program and required access for the purpose of permitting.

The Resulting Issuer intends to complete the project associated with these objectives within 12 months of listing. The estimated costs associated with these activities are as follows:

Item	**Cost**
Permitting	$20,000
IP survey (10 line-km; 200 m spacing)	$170,000
Geological mapping & geochemical rock sampling (includes sample analysis)	$15,000
Helicopter (transport to & from site; fuel)	$165,000
Accommodations & per diem	$7,000
Total:	**$377,000**

Subject to positive results from the first phase of exploration for the Haynes Property, the Resulting Issuer intends to do the following for the second phase of exploration:

- Complete drill testing of targets generated in first phase. With the intent to further delineate and understand the geological, structural, mineralization and geochemical characteristics of the Haynes Property; and

- Identify and define additional drill targets for potential third phase program.

The Resulting Issuer intends to complete the project associated with these objectives within 12 to 24 months of listing. The estimated costs associated with these activities are as follows:

Item	Cost
Project planning & logistics	$20,000
Drilling services (includes access & pad building)	$450,000
Geological support (1 Senior Geo@ 1000/day and 1 Junior Geo @ $600/day for 30 days)	$48,000
Accommodations & per diem (2 persons @ $200/day for 30 days)	$12,000
Transportation (flights, truck rental, fuel)	$6,000
Equipment rental (laptops, gps, communications)	$2,000
Analytical (drill core, QA/QC and shipping)	$50,000
Supplies	$7,000
Total:	**$595,000**

Clayton Ridge Property

In order to advance the stated business objective, the first phase of exploration for the Clayton Ridge Property intends to do the following:

- Geologic mapping and rock sampling of the claim block focusing on the Li-bearing unit(s), definition of lower and upper contacts of the Li package and depth of cover; and

- Upon completion of maps, sections and analytical results, define a core drilling program and required access for the purpose of permitting.

The Resulting Issuer intends to complete the project associated with these objectives within 12 months of listing. The estimated costs associated with these activities are as follows:

Item	Cost ($USD)
Geologic mapping, sampling	$7,000
Maps, sections, design	$7,000
Permitting (Notice)	$5,000
Bond (Notice)	$15,000
Geochemical Analyses	$12,500
Accommodations & Logistics	$2,500
Total:	**$49,000**

Subject to positive results from the first phase of exploration for the Clayton Ridge Property, the Resulting Issuer intends to do the following for the second phase of exploration:

- Complete drill testing of targets generated in first phase. Intent to further delineate and understand the geological, structural, mineralization and geochemical characteristics of the Clayton Ridge Property.

- Identify and define additional drill targets for potential third phase program.

The Resulting Issuer intends to complete the project associated with these objectives within 12 to 24 months of listing. The estimated costs associated with these activities are as follows:

Item	Cost ($USD)
Plan of operations	$250,000
Core drilling (25 holes @ 50m /hole = 1,250m)	$312,500
Supervision/logging	$52,500
Geochemical analyses	$50,000
Accommodations & logistics	$17,500
Data analyses, drawings, reports	$10,000
Total	**$692,500**

Description of Securities

Upon completion of the Business Combination, the authorized capital of the Resulting Issuer will continue to be the same as the current authorized capital of Holly Street. See "*Part III – Information Concerning Holly Street – Description of Securities*".

The Resulting Issuer will be authorized to issue an unlimited number of Resulting Issuer Shares without nominal or par value. The Resulting Issuer Shares entitle the holders thereof to receive notice of, attend and vote at all meetings of the shareholders of the Resulting Issuer. Each Resulting Issuer Share carries one vote at such meetings. Holders of Resulting Issuer Shares are entitled to dividends as and when declared by the directors. In the event of the voluntary or involuntary liquidation, dissolution or winding-up of the Resulting Issuer, after payment of all outstanding debts, the remaining assets of the Resulting Issuer available for distribution will be distributed to the holders of Resulting Issuer Shares.

Pro Forma Consolidated Capitalization

The following table sets forth the estimated capitalization of the Resulting Issuer after giving effect to the Transaction:

Designation of Security	Amount Authorized or to be Authorized	Amount Outstanding After Giving Effect to the Qualifying Transaction
Resulting Issuer Shares	Unlimited	51,617,481
Resulting Issuer Options	N/A	300,000
Resulting Issuer Warrants	N/A	42,142,858
Finder Warrants	N/A	447,532
Resulting Issuer RSUs	5,161,748	Nil
Contingent consideration	N/A	2,000,000[(1)]

Notes:

(1) Resulting Issuer Shares issued to the Clayton Ridge Property Optionor pursuant to the Clayton Ridge Option Agreement.

Fully Diluted Share Capital

Upon Completion of the Qualifying Transaction, the issued and outstanding securities of the Resulting Issuer are expected to consist of 51,617,481 Resulting Issuer Shares at the amounts set out in the below capitalization table:

Securities	Number	Approximate % - Fully Diluted
Common shares		
Issuable to former Holly Street Shareholders prior to the Business Combination	5,006,666	5.2%
Issuable to former USCM Shareholders pursuant to the Business Combination	25,000,100	25.9%
Issuable pursuant to the Financing	17,142,858	17.8%
Issuable to the Haynes Property Optionors pursuant to the Haynes Option Agreement	2,500,000	2.6%
Issuable to the Clayton Ridge Property Optionors pursuant to the Clayton Ridge Option Agreement upon Completion of the Qualifying Transaction	500,000	0.5%
Issuable to the Agreement Finder pursuant to the Business Combination	1,467,857	1.5%
Total common shares	**51,617,481**	**53.5%**
Contingent Securities		
Issuable to the Clayton Ridge Property Optionors pursuant to the Clayton Ridge Option Agreement prior to Completion of the Qualifying Transaction	2,000,000	2.1%
Total Contingent Securities	**2,000,000**	**2.1%**
Convertible Securities		
Resulting Issuer Shares issuable upon exercise of Resulting Issuer Options	300,000	0.3%
Resulting Issuer Shares issuable upon exercise of Resulting Issuer Warrants	42,142,858	43.7%
Resulting Issuer Shares issuable upon exercise of Finder Warrants	447,532	0.5%
Total Convertible Securities	**42,890,390**	**44.4%**
Total	**96,507,871**	**100%**

Available Funds

After giving effect to the Qualifying Transaction, funds available to the Resulting Issuer will be as follows:

Source of Funds	Amount of Funds
Consolidated working capital of Holly Street	$178,759.47
Consolidated working capital deficiency of USCM	$(286,392)
Gross proceeds of the Financing	$6,000,000.30
Total Estimated Funds Available	**$5,892,367.77**

Principal Purposes of Funds

The following table sets forth the proposed use of the available funds by the Resulting Issuer upon Completion of the Qualifying Transaction (including the Financing), and for the 12 months thereafter, to achieve the Resulting Issuer's business objectives, as disclosed above in "*Stated Business Objectives*":

Use of Available Funds	Amount
Qualifying Transaction costs	$250,000.00
Financing costs	$156,636.19
Estimated general and administrative expenses over the 12 months following the Closing Date(1)	$350,000.00
Phase 1 exploration costs on the Haynes Property	$377,000.00(2)
Phase 1 exploration costs on the Clayton Ridge Property	$61,103.00(3)(4)
Payments to Haynes Property Optionors	$100,000.00
Payments to Clayton Ridge Property Optionor	$280,575.00(4)
Unallocated working capital	$4,317,053.58
Total	**$5,892,367.77**

Notes:

(1) General and administrative expenses include, but are not limited to, office expenses, insurance expenses, supplies and salaries.

(2) The estimated costs for the second phase drilling program on the Haynes Property is expected to be $595,000, which is anticipated to occur 12-24 months form the Completion of the Qualifying Transaction, subject to the completion of the phase one exploration activities. The Resulting Issuer may need to raise additional funds to complete the second phase drilling program on the Haynes Property.

(3) The estimated costs for the second phase drilling program on the Clayton Ridge Property is expected to be $863,547.50**(4)**, which is anticipated to occur 12-24 months form the Completion of the Qualifying Transaction, subject to the completion of the phase one exploration activities. The Resulting Issuer may need to raise additional funds to complete the second phase drilling program on the Clayton Ridge Property.

(4) Converted from USD to Canadian dollars pursuant to the Exchange Rate.

The Resulting Issuer will spend the funds available to it upon the Completion of the Qualifying Transaction for working capital purposes and future exploration activities on its mineral properties, and primarily exploration activities on the Haynes Property and Clayton Ridge Property as recommended in the Technical Reports. See "*Narrative Description of the Business*" above. The foregoing are estimates only and there may be circumstances where, for sound business reasons, a reallocation of the funds may be necessary.

The Resulting Issuer, should it experience success with its initial exploration program, will require additional capital. If so, this capital will be raised through equity and/or debt financing or through joint ventures. There is no assurance that additional capital will be available to the Resulting Issuer or that the terms of such capital, if available will be favourable. Failure to obtain additional capital could result in the delay or indefinite postponement of such programs, a decline in the Resulting Issuer's share price, or its bankruptcy. See *"Part II – Risk Factors Associated with the Business Combination"*.

Dividends

The Resulting Issuer does not intend to pay dividends on the Resulting Issuer Shares in the foreseeable future. The future payment of dividends will be dependent upon the financial requirements of the Resulting Issuer to fund future growth, the financial condition of the Resulting Issuer and other factors which the board of directors of the Resulting Issuer may consider appropriate in the circumstances. It is the intended policy of the board of directors of the Resulting Issuer to retain any earnings to finance the growth and development of the Resulting Issuer's business and, therefore, the proposed management of the Resulting Issuer does not anticipate paying any dividends in the immediate or foreseeable future.

Principal Securityholders

Upon Completion of the Qualifying Transaction, other than as set out below, no shareholders of record are an anticipated to own or beneficially, directly or indirectly, or exercise control or direction over voting securities of the Resulting Issuer carrying more than 10% of the voting rights attached to the Resulting Issuer Shares.

Name	Number and Percentage of Resulting Issuer Shares after giving effect to the Qualifying Transaction and % of Class Held or Controlled
Scott Benson[3]	10,000,000 (19.4%[1])
Johnathan Dewdney	5,398,571 (10.5%[2])

Note:
(1) 10.4% on a fully diluted basis.
(2) 5.6% on a fully diluted basis.
(3) Scott Benson holds his shares beneficially through Recharge Capital Corp. of which he is the controlling shareholder.

Directors, Officers and Management

The following are the names and municipalities of residence of the individuals who will hold office as directors and officers of Resulting Issuer upon Completion of the Qualifying Transaction, their proposed positions and offices with the Resulting Issuer, the number and percentage of Resulting Issuer Shares that the proposed director or officer will own, or over which control or direction will be exercised following the Completion of the Qualifying Transaction, the period served as a director or officer of USCM or Holly Street and their principal occupations during the last five years.

Name, Age, Expected Position and Municipality of Residence	Principal Occupation for the Previous Five Years	Number and Percentage of Resulting Issuer Shares after giving effect to the Qualifying Transaction and % of Class Held or Controlled
Darren Collins[(1)] (38) Chief Executive Officer, and Director Ontario, Canada	Chief Financial Officer and Director of Bald Eagle Gold Corp. since December 2018; Self-employed consultant since January 2006; Chief Executive Officer, VP of Business Development and Director of Westbridge Energy Corp. from July 2013 to June 2021; Chief Financial Officer and Corporate Secretary of Khiron Life Sciences Corp. from February 2017 until June 2019; Chief Financial Officer, Executive Vice President of Corporate Development, and Advisor of Namaste Technologies Inc. from June 2015 to February 2017.	5,000,100 (9.7%)
Keith Li (42) Chief Financial Officer and Corporate Secretary Ontario, Canada	Chief Financial Officer of Branson Corporate Services Ltd. since November 2017; Chief Financial Officer of Pharmadrug Inc. since December 2017; Chief Financial Officer of Quinsam Capital Corporation since March 2018; Chief Financial Officer of BitRush Corp. since December 2018; Chief Financial Officer of Psyched Wellness Ltd. since January 2020; Chief Financial Officer of Jubilee Gold Exploration Ltd. Since January 2020; Chief Financial Officer of Rigel Technologies Ltd. from December 2017 to January 2019 and from January 2020 to present; Chief Financial Officer of Universal PropTech Inc. since June 2020; Chief Financial Officer of Corcel Exploration Inc. since May 2021; Chief Executive Officer of Harborside Inc. from December 2017 to December 2019; Manager, External Reporting of Sears	Nil

Name, Age, Expected Position and Municipality of Residence	Principal Occupation for the Previous Five Years	Number and Percentage of Resulting Issuer Shares after giving effect to the Qualifying Transaction and % of Class Held or Controlled
	Canada from August 2016 to November 2017.	
Marco Montecinos (61) Director and VP Exploration Nevada, United States	Vice President, Exploration of Gunpoint Exploration Ltd. since November 2021; Vice President, Exploration of Nevada Zinc Corporation since August 2020; Vice President, Exploration of Sixty Six Capital Inc. since April 2012.	Nil
Peter Simeon(1) (45) Independent Director Ontario, Canada	Partner, Gowling WLG (Canada) LLP since February 2015.	Nil
Scott Benson(1) (47) Independent Director British Columbia, Canada	Managing Director, Investments of Recharge Capital Corp. since January 2020; Implementation Specialist at Power Factors, LLC since December 2021; Implementation Specialist at CityView, a division of N. Harris Computer Corporation, from September 2016 to December 2021.	10,000,000 (19.4%)(3)

Notes:
(1) Proposed Audit Committee member of the Resulting Issuer.
(2) The terms of all directors of the Resulting Issuer will expire on the date of the first annual meeting of the shareholders of the Resulting Issuer.
(3) Scott Benson holds his shares beneficially through Recharge Capital Corp. of which he is the controlling shareholder.

After giving effect to the Qualifying Transaction including the Financing, the holdings of the proposed directors and officers of the Resulting Issuer, and their associates and affiliates, as a group, whether, beneficial, direct or indirect, will represent 15,000,100 Resulting Issuer Shares representing approximately 29.1% of the outstanding Resulting Issuer Shares.

The proposed officers are expected to devote the majority of their time with the Resulting Issuer and have entered or will enter into confidentiality and non-competition arrangements with the Resulting Issuer.

Biographies of Management and Directors

The following are biographies of each of the proposed members of management and directors for the Resulting Issuer:

<u>Darren Collins – Chief Executive Officer and Director</u>

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 Alegro 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.

Keith Li – Chief Financial Officer and Corporate Secretary

Keith Li is a finance professional with over 15 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.

Marco Montecinos – Director and VP Exploration

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.

Peter Simeon – Independent Director

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 Wildeboer Dellelce LLP, 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 at York University. Mr. Simeon acts as an independent director of several publicly traded companies in Canada.

Scott Benson – Independent Director

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 of Recharge Capital Corp., a battery and EV materials focused investment firm. 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.

Standing Committees of the Board

The Resulting Issuer will have an Audit Committee comprised of the following three directors: Darren Collins, Peter Simeon and Scott Benson.

Promoter Consideration

The Resulting Issuer does not expect to have any Promoters other than as set forth below, nor has the Resulting Issuer or USCM within the period spanning from USCM's date of incorporation, July 12, 2021, to the date of this Filing Statement.

Mr. Darren Collins is considered to be a Promoter of the Resulting Issuer in that he took the initiative and founding and organizing the Resulting Issuer. Mr. Collins will not be receiving any consideration from the Resulting Issuer apart from Resulting Issuer Shares issued in exchange for USCM Shares and as provided under *"Part V – Information Concerning the Resulting Issuer – Executive Compensation – NEO Compensation Summary"*. None of Holly or USCM have acquired assets from Mr. Collins within the two years preceding the date of this Filing Statement. For the number and percentage of Resulting Issuer Shares that Mr. Collins will have control or direction over, see "*Part V – Information Concerning the Resulting Issuer – Directors, Officers and Management*".

Trumbull Fisher may be considered to be the Promoter of Holly Street in that he took the initiative in founding and organizing Holly Street. Mr. Fisher has control over 112,500 Holly Street Options that will expire on July 22, 2022. Mr. Fisher is a former director of Holly Street.

Apart from the foregoing, there is no person or company that will be considered a Promoter of Holly Street or USCM within the past two years.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No proposed director of the Resulting Issuer is, as at the date of this Filing Statement, or has been, within the preceding 10 years, a director, chief executive officer or chief financial officer of any company that while that person was acting in that capacity: (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (ii) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, business combination or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets other than as follows.

Penalties or Sanctions

No proposed director or officer of the Resulting Issuer or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No proposed director or officer of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such persons, has, within the 10 years preceding the date of this Filing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, merger or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Conflicts of Interest

The proposed directors and officers of the Resulting Issuer are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and the laws requiring disclosure by directors and officers of conflicts of interest. The Resulting Issuer will rely upon such laws in respect of any such conflict of interest or in respect of any breach of duty by any of the Resulting Issuer's directors or officers. Any such conflicts are required to be disclosed by such directors or officers in accordance with the BCBCA and the directors of the Resulting Issuer are required to govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. Certain proposed directors of the Resulting Issuer are, or may in the future be, directors, officers or shareholders of other companies that are, or may in future be, engaged in the business of, or enter into transactions with, the Resulting Issuer. Such associations and transactions may give rise to conflicts of interest from time to time.

Other Reporting Issuer Experience

The following table sets out the proposed directors and officers of the Resulting Issuer that are, or have been within the last five years, directors, officers or promoters of other reporting issuers.

Name	Name of Issuer	Exchange	Position	From	To
Darren Collins	Ready Set Gold Corp. (formerly Omni Commerce Corp.)	CSE	Director	June 2021	Present
	Harmony Capital Corp.	TSXV	Director	June 2021	Present
	Momentum Capital Corp.	TSXV	Director	October 2020	Present
	Bald Eagle Gold Corp.	TSXV	Chief Financial Officer, Director	October 2020	Present
	Khiron Life Sciences Corp.	TSXV	Chief Financial Officer and Corporate Secretary	February 2017	June 2019
	Namaste Technologies Inc.	CSE	Chief Financial Officer, Executive Vice President of Corporate Development and Advisor	June 2015	February 2017
	Westbridge Energy Corp.	TSXV	Chief Executive Officer, Vice President of Business Development, Director	June 2013	June 2021
Keith Li	Corcel Exploration Inc.	CSE	Chief Financial Officer	May 2021	Present
	Universal PropTech Inc. (formerly SustainCo Inc.)	TSXV	Chief Financial Officer	June 2020	Present
	Psyched Wellness Ltd. (formerly Duncan Park Holdings Corporation)	CSE	Chief Financial Officer	January 2020	Present
	Jubilee Gold Exploration Ltd.	TSXV	Chief Financial Officer	January 2020	Present
	BitRush Corp.	CSE	Chief Financial Officer	December 2018	Present
	Rigel Technologies Ltd.	TSXV	Chief Financial Officer	December 2017	Present
	Quinsam Capital Corporation	CSE	Chief Financial Officer	March 2017	Present
	Pharmadrug Inc.	CSE	Chief Financial Officer	December 2017	Present
Marco Montecinos	Gunpoint Exploration Ltd.	TSXV	Vice President Exploration	November 2021	Present
	Nevada Zinc Corporation	TSXV	Vice President Exploration	August 2020	Present
	M3 Metals Corp.	TSXV	Director	July 2019	Present
	Sixty Six Capital Inc.	CSE	Vice President Exploration	April 2012	Present

Name	Name of Issuer	Exchange	Position	From	To
Peter Simeon	Ready Set Gold Corp. (formerly Omni Commerce Corp.)	CSE	Director	June 2021	Present
	Mercury Acquisitions Corp.	TSXV	Director	April 2021	Present
	Choom Holdings Inc.	CSE	Director	September 2020	Present
	Atmofizer Technologies Inc. (formerly Consolidated HCI Holdings Corporation)	CSE	Director	August 2020	Present
	Consolidated HCI Holdings Corporation	NEX	Director	August 2020	Present
	PlantX Life Inc. (formerly Vegaste Technologies Corp.)	CSE	Director	August 2020	Present
	AF2 Capital Corp.	TSXV	Director	August 2020	Present
	Simply Better Brands Corp. (formerly PureK Holdings Corp.)	TSXV	Director	December 2018	May 2020
	Khiron Life Sciences Corp.	TSXV	Director	May 2018	May 2019
	Bald Eagle Gold Corp.	TSXV	Director	August 2018	Present
	Phivida Holdings Inc.	CSE	Director	November 2017	September 2020
	Liberty Health Sciences Inc. (formerly SecureCom Mobile Inc.)	CSE	Director	November 2016	July 2017
	Lifeist Wellness Inc. (formerly Namaste Technologies Inc.)	TSXV	Director	February 2016	March 2018
	Amilot Capital Inc.(formerly Tolima Gold Inc.)	TSXV	Director	June 2013	Present
	The Good Shroom Co Inc. (formerly Cluny Capital Corp.)	NEX	Director	November 2012	May 2018

Executive Compensation

Compensation Discussion and Analysis

It is anticipated that, following the Completion of the Qualifying Transaction, the Resulting Issuer will formalize its compensation practices. It is anticipated that the Resulting Issuer’s compensation practices will include elements of short and longer term equity incentives together with cash based awards.

NEO Compensation Summary Table

The following table sets forth information concerning the expected compensation payable by the Resulting Issuer for services rendered for the 12-month period after giving effect to the Qualifying Transaction to its NEOs. For the purposes of this section, the NEOs are Darren Collins, as Chief Executive Officer, and Keith Li, as Chief Financial Officer and Corporate Secretary, as there are no other executive officer of the Resulting Issuer or a Subsidiary whose total compensation will exceed $150,000.

Name and Principal Position	Period Ended Jan 31	Salary / Consulting Fees	Share-based Awards(1)	Option-based Awards(2)	Non-equity Incentive Plan Compensation: Annual Incentive Plans	Non-equity Incentive Plan Compensation: Long-term Incentive Plans	Pension Value	All Other Compensation	Total Compensation
Darren Collins Chief Executive Officer	2023	$150,000	Nil	Nil	Nil	Nil	Nil	Nil	$150,000
Keith Li Chief Financial Officer and Corporate Secretary	2023	$54,000(3)	Nil	Nil	Nil	Nil	Nil	Nil	$54,000

Notes:

(1) "Share-based Award" means an award under any equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, RSUs, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.

(2) "Option-Based Award" means an award under an equity incentive plan of stock options, including, for greater certainty, stock options, share appreciation rights and similar instruments that have option-like features.

(3) The salary for Mr. Li is paid by Branson Corporate Services Ltd. and is attributable to the services Mr. Li provides to USCM pursuant to a Management Services Agreement between Branson Corporate Services Ltd. and USCM.

Director Compensation

Upon Completion of the Qualifying Transaction, the directors of the Resulting Issuer will determine if, and to what extent, compensation will be paid to directors for services rendered to the Resulting Issuer in their capacity as directors. It is anticipated that non-management directors will be reimbursed for transportation and other out-of-pocket expenses incurred for attendance at meetings of the board of directors and in connection with discharging their director functions. It is currently anticipated that any additional incentives paid to directors will be in the form of monthly director fees or through security-based compensation.

Indebtedness of Directors, Executive Officers and Senior Officers

No person who is a director or officer of Holly Street, USCM or is proposed to be a director or officer of the Resulting Issuer, or any associate of the foregoing, is: (i) indebted to Holly Street or USCM or a Subsidiary of Holly Street or USCM; or (ii) is indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar Business Combination or understanding provided by Holly Street, USCM or a Subsidiary of Holly Street or USCM.

Investor Relations Arrangements

As of the date of this Filing Statement, the Resulting Issuer has no agreements in place for the provision of investor relations services. The Resulting Issuer may, in the future, engage investor relations services providers pursuant to applicable Exchange Policies.

Incentive Securities

Stock Option Plan

At the Holly Street Meeting, Holly Street Shareholders approved, subject to the Completion of the Qualifying Transaction, the Option Plan, which will be the stock option plan of Resulting Issuer upon Completion of the Qualifying Transaction.

The Exchange Policies provide that the board of directors of the Resulting Issuer may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and employees of the Resulting Issuer and its Affiliates and to consultants and management company employees ("**Optionees**"), non-transferable stock options to purchase Resulting Issuer Shares for a period of up to ten (10) years from the date of the grant, provided that the number of Resulting Issuer Shares reserved for issuance may not exceed 10% of the total issued and outstanding Resulting Issuer Shares at the date of the grant.

The purpose of the Option Plan, pursuant to which the Resulting Issuer may grant incentive stock options, is to promote the profitability and growth of the Resulting Issuer by facilitating the efforts of the Resulting Issuer to obtain and retain key individuals. The Option Plan provides an incentive for and encourages ownership of the Resulting Issuer Shares by its key individuals so that they may increase their stake in the Resulting Issuer and benefit from increases in the value of the Resulting Issuer Shares. Pursuant to the Option Plan, the maximum number of Resulting Issuer Shares reserved for issuance in any 12-month period to any one Optionee, other than a consultant, may not exceed 5% of the issued and outstanding Resulting Issuer Shares at the date of the grant. The maximum number of Resulting Issuer Shares reserved for issuance in any 12-month period to any consultant may not exceed 2% of the issued and outstanding Resulting Issuer Shares at the date of the grant and the maximum number of Resulting Issuer Shares reserved for issuance in any 12-month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Resulting Issuer Shares at the date of the grant.

The maximum term of Resulting Issuer Options is not to exceed ten years from the date of the grant to an Optionee. Unless the board of directors of the Resulting Issuer determines otherwise, Resulting Issuer Options shall be exercisable in whole or in part at any time during this period in accordance with such vesting provisions, conditions or limitations (including applicable hold periods) as are contained in the Option Plan or as the board of directors of the Resulting Issuer may from time to time impose, or as may be required by the Exchange or under applicable securities law. Each Resulting Issuer Option and all rights thereunder shall expire upon a date fixed by the board of directors of the Resulting Issuer at the time such Resulting Issuer Option is granted, which date will not be more than ten years from the date of grant (the "**Option Expiry Time**"), but will be subject to earlier termination in accordance with the terms of the Option Plan.

Subject to the terms of the applicable stock option agreement, in the event that an Optionee ceases to be a director, officer, employee or consultant of the Resulting Issuer for any reason other than death, the Resulting Issuer Option may be exercised at any time up to the earlier of (a) the Option Expiry Time and (b) a date that is 90 days (or such other period as determined by the board of directors of the Resulting Issuer, provided that such period is not more than one year) following the effective date of the resignation, retirement or notice of termination of employment. Notwithstanding the foregoing, in the event of termination for cause, such Resulting Issuer Option shall expire and terminate immediately at the time of delivery of notice of termination of employment for cause to the Optionee by the Resulting Issuer. In the event of death of an Optionee on or prior to the Option Expiry Time, the Resulting Issuer Options may be exercised within a maximum period of one year after such death.

Holly Street Options granted while Holly Street was a CPC may be exercised into Resulting Issuer Shares until the greater of 12 months after the Completion of the Qualifying Transaction and 90 calendar days following the date the Optionee ceases to be a director, officer or employee of the Resulting Issuer or its Affiliates or a consultant or a management company employee, except if such cessation was by reason of death, in which case the Holly Street Options may be exercised within a maximum period of one year after such death.

Options to Purchase Securities

The following table sets out the number of Resulting Issuer Options that are expect to be outstanding upon Completion of the Qualifying Transaction:

Group	Number of Resulting Issuer Options	Exercise Price Per Resulting Issuer Option	Expiry Date
Officers of the Resulting Issuer	nil	$-	-
Non-executive directors of the Resulting Issuer	nil	$-	-
Non-continuing Holly Street officers and directors(1)	300,000(2)	$0.15	July 22, 2022 and December 19, 2029(3)(4)

Notes:

(1) The non-continuing Holly Street officers and directors who will hold Resulting Issuer Options following the Closing are Joel Freudman, Damian Lopez and Ryan Cheung.

(2) Presented on a post-Consolidation basis.

(3) 75,000 Resulting Issuer Options, held by Trumbull Fisher, former director of Holly Street, will expire on July 22, 2022. The remaining 225,000 Resulting Issuer Options will expire on December 19, 2029.

(4) Holly Street Options granted while Holly Street was a CPC may be exercised into Resulting Issuer Shares until the greater of 12 months after the Completion of the Qualifying Transaction and 90 calendar days following the date the Optionee ceases to be a director, officer or employee of the Resulting Issuer or its Affiliates or a consultant or a management company employee, except if such cessation was by reason of death, the Holly Street Option may be exercised within a maximum period of one year after such death.

Following the Completion of the Qualifying Transaction, it is expected that there will be 300,000 Resulting Issuer Options outstanding, each entitling the holder thereof to purchase 1 Resulting Issuer Share at an exercise price as per above.

Currently, it is not anticipated that the board of directors of the Resulting Issuer will issue Resulting Issuer Options to directors and officer of the Resulting Issuer following, and in connection with, the Completion of the Qualifying Transaction. Any future grants of Resulting Issuer Options will be in accordance with the terms of the Option Plan, applicable requirements of the Exchange, and customary practices.

RSU Plan

At the Holly Street Meeting, Holly Street Shareholders approved, subject to the Completion of the Qualifying Transaction, the RSU Plan, which will remain in effect for the Resulting Issuer subject to the approval of the Exchange.

The purpose of the RSU Plan is to strengthen the alignment of interests between the directors, officers, employees and consultants of the Resulting Issuer and its affiliates (the "**Participants**") and the shareholders, and for the purposes of advancing the interests of the Resulting Issuer through the motivation, attraction, and retention of the Participants.

The board of directors of the Resulting Issuer may, from time to time, in its discretion and in accordance with the Exchange Policies, grant Resulting Issuer RSUs to Participants. The terms and conditions attached to the grants will be determined by the board of directors of the Resulting Issuer (or a committee designated by the board of directors of the Resulting Issuer), in its sole discretion. The board of directors of the Resulting Issuer has the power and discretionary authority to determine the terms and conditions of the grants, including the individuals who will receive the grants, the number of Resulting Issuer RSUs subject to each grant, the limitations or restrictions on vesting of grants, acceleration of vesting or the waiver of forfeiture or other restrictions on grants, the form of consideration payable on settlement of Resulting Issuer RSUs and the timing of the grants. The board of directors of the Resulting Issuer also has the power to establish procedures for payment of withholding tax obligations with cash.

Each grant will constitute an agreement to deliver Resulting Issuer RSUs or cash consideration to the Participant upon the vesting of the Resulting Issuer RSU in consideration of the performance of services, subject to the fulfillment of such conditions as the board of directors of the Resulting Issuer may specify including, but not limited to, the Participant's achievement of specified objectives. A Participant will not have ownership or voting rights with respect to the Resulting Issuer RSU or the underlying Resulting Issuer Shares associated with the Resulting Issuer RSU. On the vesting date, the Resulting Issuer, at its sole and absolute discretion, shall have the option of settling the Resulting Issuer RSU by any of the following methods or a combination thereof: (a) payment in cash; or (b) payment in Resulting Issuer Shares issued from the treasury of the Resulting Issuer. The cash value of the Resulting Issuer RSU award is the number of Resulting Issuer RSUs multiplied by the fair market value of the Resulting Issuer Shares, which is generally the volume weighted average of the prices at which the Resulting Issuer Shares traded on the Exchange during the 3 trading days preceding the vesting date.

The RSU Plan limits issuances of Resulting Issuer RSUs such that the aggregate number of Resulting Issuer Shares (i) issued to any one person under the RSU Plan and all other security-based compensation arrangements of the Resulting Issuer will not exceed 5% of the issued and outstanding Resulting Issuer Shares; (ii) issued to insiders of the Resulting Issuer pursuant to the RSU Plan and all other security-based compensation arrangements of the Resulting Issuer will not, at any time, exceed 10% of the total number of issued and outstanding Resulting Issuer Shares unless disinterested Resulting Issuer Shareholder approval is obtained, (iii) issued to insiders of the Resulting Issuer pursuant to the RSU Plan and all other security based compensation arrangements of the Resulting Issuer will not, within a one-year period, exceed 10% of the total number of issued and outstanding Resulting Issuer Shares unless disinterested Resulting Issuer Shareholder approval is obtained; and (iv) issued to consultants (other than consultants performing investor relation activities, as defined under the Exchange Policies) under all security- based compensation arrangements will not, in any 12 month period, exceed 2% of the total number of issued and outstanding Resulting Issuer Shares. In addition, the RSU Plan does not permit Resulting Issuer RSUs to be issued any consultant performing investor relation activities.

Unless otherwise determined the board of directors of the Resulting Issuer, or unless otherwise agreed in an agreement between the board of directors of the Resulting Issuer and a Participant acknowledging the award of Resulting Issuer RSUs (a "**Resulting Issuer RSU Agreement**") or other written agreement (including an employment or consulting agreement), each Resulting Issuer RSU shall provide that if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant to the Resulting Issuer or its affiliates, for any reason whatsoever including, without limitation, retirement, resignation or involuntary termination (with or without cause), as determined by the Resulting Issue Board in its sole discretion, before the Resulting Issuer RSUs have vested, (i) such Participant shall cease to be a Participant and immediately forfeit all unvested Resulting Issuer RSUs; and (ii) the value corresponding to any vested Resulting Issuer RSUs remaining unpaid as of the forfeiture date shall be paid to the former Participant in accordance with the terms of the RSU Plan. Notwithstanding, and unless otherwise determined by the board of directors of the Resulting Issuer, or unless otherwise agreed in a Resulting Issuer RSU Agreement or other written agreement (including an employment or consulting agreement), if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant to the Resulting Issuer or its affiliates due to the death of the Participant, any unvested Resulting Issuer RSUs in the deceased Participant's account effective as at the time of the Participant's death shall be deemed to have vested immediately prior to the forfeiture date with the result that the deceased Participant shall not forfeit any unvested Resulting Issuer RSUs and the value corresponding to all Resulting Issuer RSUs shall be paid to the estate of the Participant in accordance with the terms of the RSU Plan.

In addition, the RSU Plan includes a detailed amendment provision, setting forth the amendments to the RSU Plan or Resulting Issuer RSUs that may be made by the board of directors of the Resulting Issuer, and those which require Resulting Issuer Shareholder approval. Amendments to any of the following provisions of the RSU Plan will be subject to Resulting Issuer Shareholder approval:

- adding to the persons eligible to be granted Resulting Issuer RSUs;
- the maximum number or percentage of Resulting Issuer Shares that may be reserved for issuance pursuant to the vesting of Resulting Issuer RSUs;

- the limitations on the number of options that may be granted to any one person or any category of persons (such as, for example, insiders or consultants);
- the maximum term of Resulting Issuer RSUs;
- in certain circumstances, the expiry and termination provisions applicable to Resulting Issuer RSUs;
- the assignment or transfer of a Resulting Issuer RSU not otherwise in accordance with the RSU Plan;
- the amendment provisions of the RSU Plan; and
- other circumstances required by the Exchange Policies.

The RSU Plan provides that the board of directors of the Resulting Issuer may approve the following types of amendments without Resulting Issuer Shareholder approval: (i) amendments to fix typographical errors; and (ii) amendments to clarify existing provisions of the RSU Plan that do not have the effect of altering the scope, nature and intent of such provisions.

If the Holly Street RSU Plan is approved at the Holly Street Meeting, following the Completion of the Qualifying Transaction, the Resulting Issuer Shares that may be reserved for issuance from treasury under the RSU Plan will not exceed 5,161,748 Resulting Issuer Shares. Following the Completion of the Qualifying Transaction, it is expected that approximately 51,617,481 Resulting Issuer Shares will be issued and outstanding.

Currently, it is not anticipated that the board of directors of the Resulting Issuer will issue Resulting Issuer RSUs to Participants following, and in connection with, the Completion of the Qualifying Transaction. Any future grants of Resulting Issuer RSUs will be in accordance with the terms of the RSU Plan, applicable requirements of the Exchange and customary practices.

There will be no RSUs of the Resulting Issuer outstanding upon the Completion of the Qualifying Transaction.

Escrowed Securities

CPC Escrowed Securities

The Holly Street Escrow Securities are held in escrow pursuant to Exchange Policy 2.4. Following the issuance of the Final QT Exchange Bulletin, it is expected that the Resulting Issuer will be a “Tier 2” issuer on the Exchange. As such, the Holly Street Escrow Securities will be subject to the Holly Street Escrow Agreement.

Pursuant to the Holly Street Escrow Agreement, all Holly Street Escrow Securities would be released from escrow in accordance with the following release schedule:

Percentage of Escrow Securities Released	Release Date
25%	Upon Final QT Exchange Bulletin
25%	6 months from Final QT Exchange Bulletin
25%	12 months from Final QT Exchange Bulletin
25%	18 months from Final QT Exchange Bulletin
100%	

The table below sets out the names of the anticipated holders of the Holly Street Escrow Securities that will be subject to the Holly Street Escrow Agreement. A total of 1,333,333 Holly Street Shares, after giving effect to the Qualifying Transaction, will be held in escrow pursuant to the Holly Street Escrow Agreement. No Holly Street Options will be held in escrow pursuant to the Holly Street Escrow Agreement.

	Prior to Giving Effect to the Qualifying Transaction(1)		**After Giving Effect to the Qualifying Transaction(2)**	
Name and Municipality of Residence of Securityholder	**Number of Holly Street Shares held in Escrow**	**Percentage of Class**	**Number of Holly Street Shares to be held in escrow**	**Percentage of Class**
Joel Freudman Toronto, Ontario	600,000	8%	400,000	0.8%
Ryan Cheung Vancouver, British Columbia	300,000	4%	200,000	0.4%
Anthony Viele Vaughan, Ontario	500,000	6.7%	333,333	0.6%
Damian Lopez Toronto, Ontario	600,000	8%	400,000	0.8%
Total	**2,000,000**	**26.7%**	**1,333,333**	**2.6%**

Notes:
(1) Pre-Consolidation.
(2) Post-Consolidation.

Value Escrow Securities

In connection with the Business Combination, the Exchange has discretion, in certain circumstances, to impose escrow provisions on the Resulting Issuer securities being issued to certain securityholders of the Resulting Issuer. Management anticipates that the Resulting Issuer will be a "Tier 2" issuer on the Exchange and that all Resulting Issuer securities held by the "Principals" of the Resulting Issuer will be subject to the Resulting Issuer Escrow Agreement. "Principals" of the Resulting Issuer include all directors, all officers and any shareholder who holds in excess of 20% of the Resulting Issuer Shares. It also includes any shareholder of the Resulting Issuer who holds in excess of 10% of the Resulting Issuer Shares and who has elected or appointed, or has the right to elect or appoint, one or more directors or officers of the Resulting Issuer. The table below sets out the names of the anticipated Principals of the Resulting Issuer.

		Prior to Giving Effect to the Qualifying Transaction		**After Giving Effect to the Qualifying Transaction**	
Name and Municipality of Residence of Securityholder	**Designation of Class**	**Number of securities held in Escrow**	**Percentage of Class**	**Number of securities to be held in escrow**	**Percentage of Class**
Darren Collins *Alliston, Ontario* CEO and Director	Common Shares	Nil	Nil	5,000,100	9.7%
Scott Benson(2) *Victoria, British Columbia* Director	Common Shares Warrants	Nil Nil	Nil Nil	10,000,000 10,000,000	19.4% 23.5%

Note:
(1) Information contained in the above table is being given after completion of the Financing.

(2) Scott Benson holds his shares and warrants beneficially through Recharge Capital Corp. of which he is the controlling shareholder.

The Resulting Issuer Shares and Resulting Issuer Warrants held by the Principals set out in the table above (the "**Escrowed Securities**") will be released from escrow in accordance with the following schedule (the "**Escrow Release Schedule**"):

Percentage of Escrow Securities Released	**Release Date**
10%	Upon Final QT Exchange Bulletin
15%	6 months from Final QT Exchange Bulletin
15%	12 months from Final QT Exchange Bulletin
15%	18 months from Final QT Exchange Bulletin
15%	24 months from Final QT Exchange Bulletin
15%	30 months from Final QT Exchange Bulletin
15%	36 months from Final QT Exchange Bulletin
100%	

The Escrowed Securities may not be sold, assigned, transferred, redeemed, surrendered or otherwise dealt with in any manner except provided by the Resulting Issuer Escrow Agreement. Escrowed Securities may be transferred within escrow to an individual who is a director or senior officer of the Resulting Issuer or a material operating Subsidiary of the Resulting Issuer, provided that certain requirements of the Exchange are met, including that the new proposed transferee agrees to be bound by the terms of the agreement. In the event of bankruptcy of, the holder of Escrowed Securities (the "**Escrowed Securityholder**") held by such holder may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such Escrowed Securities provided that certain prescribed Exchange requirements are met. Escrowed Securities may also be transferred within escrow by an Escrowed Securityholder to a RRSP or a RRIF provided that the Exchange receives proper notice of the same, the Escrowed Securityholder is the sole beneficiary of the RRSP or RRIF and the trustee of the RRSP or RRIF agrees to be bound by the terms of the Resulting Issuer Escrow Agreement. In the event of the death of an Escrowed Securityholder, the Escrowed Securities shall be released to the legal representatives of the deceased holder thereof.

Escrowed Securityholders who are not individuals will provide undertakings to the Exchange that they will not issue securities of their own issue or effect or permit a transfer of ownership of securities of their own issue that would have the effect of changing the beneficial ownership of, or control or direction over, the Escrowed Securities.

Seed Share Resale Restrictions

To the knowledge of the Resulting Issuer, based on the Exchange's analysis, certain "seed share resale restrictions" will be applicable to securities of the Resulting Issuer held by "non-principals" of the Resulting Issuer. The "seed share resale restrictions" apply to certain former USCM Shareholders and USCM Warrantholders who participated in the USCM Private Placement. An aggregate of 10,000,000 Resulting Issuer Shares issued to former USCM Shareholders in exchange for USCM Shares under the Business Combination are expected to be subject to the Exchange's seed share resale matrix under Exchange Policy 5.4. An aggregate of 15,000,000 Resulting Issuer Warrants issued to former USCM Warrantholders in exchange for USCM Warrants under the Business Combination are expected to be subject to the Exchange's seed share resale matrix under Exchange Policy 5.4.

The following table sets out, on a non-diluted basis, as of the date of this Filing Statement and to the knowledge of the Resulting Issuer, the details of the seed share resale restrictions of each of holder of Resulting Issuer Shares and Resulting Issuer Warrants who will be subject to the Exchange's seed share resale matrix.

Designation of Class	Aggregate number of Resulting Issuer Shares subject to resale restrictions(1)	Percentage of Class	Escrow Expiry Date
Resulting Issuer Shares issued to former USCM Shareholders	10,000,000	19.4%	Tier 2 value security agreement: 10% - Upon Final QT Exchange Bulletin 15% - 6 months from Final QT Exchange Bulletin 15% - 12 months from Final QT Exchange Bulletin 15% - 18 months from Final QT Exchange Bulletin 15% - 24 months from Final QT Exchange Bulletin 15% - 30 months from Final QT Exchange Bulletin 15% - 36 months from Final QT Exchange Bulletin
Resulting Issuer Warrants issued to former USCM Warrantholders	15,000,000	35.2%	4-month hold: 20% - Upon Final QT Exchange Bulletin 20% - 1 month from Final QT Exchange Bulletin 20% - 2 months from Final QT Exchange Bulletin 20% - 3 months from Final QT Exchange Bulletin 20% - 4 months from Final QT Exchange Bulletin

Notes:
(1) After giving effect to the Qualifying Transaction.

Lock-Up Agreements

Certain USCM Warrantholders representing an aggregate of 15,000,000 USCM Warrants will enter into voluntary contractual lock-up agreements, with such USCM Warrants to be released in accordance with the Escrow Release Schedule. Upon Closing, such USCM Warrants shall represent: (i) 35.2% of the sum of the Resulting Issuer Replacement Warrants *plus* the Holly Street Post-Consolidation Warrants; and (ii) 15.5% of the fully diluted share capital of the Resulting Issuer.

Auditors

The auditor of the Resulting Issuer is expected to be Clearhouse LLP, Chartered Professional Accountants, located at 2560 Matheson Blvd E., Suite 527, Mississauga, Ontario L4W 4Y9.

Transfer Agent And Registrar

Olympia Trust through its principal office in Vancouver, will be the transfer agent and registrar for the Resulting Issuer Shares.

PART VI – GENERAL MATTERS

Sponsorship Matters

Sponsorship for the Qualifying Transaction is required by Exchange Policy 2.2 unless an exemption from the requirements is granted to the Resulting Issuer by the Exchange. The Resulting Issuer has applied for, and the Exchange has provided the Resulting Issuer with, an exemption from the sponsorship requirement in accordance with Exchange Policies.

Experts

Reports

The following professional persons have prepared reports or have provided opinions that are either included or referenced within this Filing Statement:

(a) Auditor's reports prepared by C&C, auditor for Holly Street, and included with the financial statements of Holly Street attached to this Filing Statement;

(b) Auditor's reports prepared by Clearhouse, auditor for USCM, and included with the financial statements of USCM attached to this Filing Statement.

(c) USCM retained Janine Brown, B.Sc., P.Geo. of Dahrouge Geological Consulting Ltd. to prepare the Haynes Report. The Haynes Report is referenced in *"Information Concerning USCM – Description of the Business"*.

(d) USCM retained Robert Johansing, M.Sc., QP to prepare the Clayton Ridge Report. The Clayton Ridge Report is referenced in *"Information Concerning USCM – Description of the Business"*.

Interests of Experts

To the knowledge of management of Holly Street and USCM, none of the experts above, or their respective Associates or Affiliates, beneficially owns, directly or indirectly, any securities of Holly Street or USCM, has received or will receive any direct or indirect interests in the property of Holly Street or USCM or is expected to be elected, appointed or employed as a director, officer or employee of the Resulting Issuer or any Associate or Affiliate thereof.

Other Material Facts

There are no material facts about Holly Street, USCM, the Resulting Issuer or the Qualifying Transaction that are not disclosed within this Filing Statement which are necessary in order for this Filing Statement to contain full, true and plain disclosure of all material facts relating to Holly Street, USCM and the Resulting Issuer, assuming Completion of the Qualifying Transaction.

Approval of the Directors

The contents and sending of this Filing Statement have been approved by the Holly Street Board and USCM. Where information contained in this Filing Statement rests particularly within the knowledge of a person other than Holly Street or USCM, Holly Street and/or USCM has relied upon information furnished by such person.

CERTIFICATE OF HOLLY STREET CAPITAL LTD.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of Holly Street Capital Ltd. assuming Completion of the Qualifying Transaction.

DATED March 31, 2022.

HOLLY STREET CAPITAL LTD.

Per: (Signed) "*Joel Freudman*"
Joel Freudman
Chief Executive Officer and Director

Per: (Signed) *"Ryan Cheung"*
Ryan Cheung
Chief Financial Officer and Corporate Secretary

Per: (Signed) "*Anthony Viele*"
Anthony Viele
Director

Per: (Signed) "*Damian Lopez*"
Damian Lopez
Director

CERTIFICATE OF US CRITICAL METALS CORP.

The foregoing, as it relates to US Critical Metals Corp. constitutes full, true and plain disclosure of all material facts relating to the securities of US Critical Metals Corp.

DATED March 31, 2022.

US CRITICAL METALS CORP.

Per: (Signed) *"Darren Collins"*
Darren Collins
Chief Executive Officer and Director

Per: (Signed) *"Keith Li"*
Keith Li
Chief Financial Officer and Corporate Secretary

Per: (Signed) *"Marco Montecinos"*
Marco Montecinos
Director

Per: (Signed) "*Peter Simeon"*
Peter Simeon
Director

Per: (Signed) *"Scott Benson"*
Scott Benson
Director

APPENDIX A

FINANCIAL STATEMENTS OF HOLLY STREET CAPITAL LTD.
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020 AND FOR THE THREE-MONTH PERIOD ENDED DECEMBER 31, 2021

Holly Street Capital Ltd.
(A Capital Pool Company)

CONSOLIDATED FINANCIAL STATEMENTS

For year ended September 30, 2021

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BOX 243
VANCOUVER, BC V7X 1M9
charlton & company
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of:
Holly Street Capital Ltd.

Opinion

We have audited the consolidated financial statements of Holly Street Capital Ltd. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2021 and 2020 and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at September 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss of $77,669 during the year ended September 30, 2021 and, as of that date, the Company's total deficit was $234,214. The Company has not generated revenue from operations, and there is no assurance that the Company will identify a qualifying transaction under the policies of the TSX Venture Exchange. As stated in Note 1, these events and conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Management Discussion and Analysis. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Melyssa Charlton.

Charlton & Company

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC
December 15, 2021

Holly Street Capital Ltd.
(A CAPITAL POOL COMPANY)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	September 30, 2021	September 30, 2020
	$	$
ASSETS		
Cash	**258,560**	353,022
Total assets	**258,560**	353,022
LIABILITIES		
Accounts payable and accrued liabilities	**14,752**	31,545
Total liabilities	**14,752**	31,545
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	**425,022**	425,022
Reserves (Note 5)	**53,000**	53,000
Deficit	**(234,214)**	(156,545)
Total shareholders' equity	**243,808**	321,477
Total liabilities and shareholders' equity	**258,560**	353,022

Nature of and continuance of operations (Note 1)

Approved by the Board of Directors on December 15, 2021:

"Damian Lopez"
Director

"Joel Freudman"
Director

The accompanying notes form an integral part of these consolidated financial statements.

Holly Street Capital Ltd.
(A CAPITAL POOL COMPANY)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

For the year ended September 30,	2021	2020
	$	$
Expenses		
Accounting and audit fees	**6,314**	7,226
Bank charges	**1,728**	830
Legal fees	**51,690**	79,828
Office and administrative	**2,490**	601
Regulatory and filing	**15,447**	12,186
Share-based compensation (Notes 5 and 8)	**-**	40,000
Loss and comprehensive loss for the year	**(77,669)**	(140,671)
Loss per share		
Basic and diluted	**(0.01)**	(0.06)
Weighted average number of common shares outstanding (basic and diluted) (Note 5)	**7,510,000**	2,312,623

The accompanying notes form an integral part of these consolidated financial statements.

(Expressed in Canadian dollars)

	Number of shares outstanding	Share capital	Reserves	Deficit	Total shareholders' equity
		$	$	$	$
Balance, September 30, 2019	**2,000,000**	**100,000**	**-**	**(15,874)**	**84,126**
Initial public offering	2,500,000	250,000	-	-	250,000
Private placement	3,010,000	150,500	-	-	150,500
IPO agent– agent options	-	(13,000)	13,000	-	-
Share issuance costs	-	(62,478)	-	-	(62,478)
Share-based compensation	-	-	40,000	-	40,000
Loss for the year	-	-	-	(140,671)	(140,671)
Balance, September 30, 2020	**7,510,000**	**425,022**	**53,000**	**(156,545)**	**321,477**
Loss for the year	-	-	-	(77,669)	(77,669)
Balance, September 30, 2021	**7,510,000**	**425,022**	**53,000**	**(234,214)**	**243,808**

(Expressed in Canadian dollars)

For the year ended September 30,	2021	2020
	$	$
Cash provided by (used in)		
Operating activities		
Loss for the year	**(77,669)**	(140,671)
Items not affecting cash:		
Share-based compensation	**-**	40,000
Changes in non-cash working capital items:		
Prepaid expense	**-**	20,500
Accounts payable and accrued liabilities	**(16,793)**	8,642
Net cash used in operating activities	**(94,462)**	(71,529)
Financing activities		
Proceeds from issuance of shares	**-**	400,500
Share issuance costs	**-**	(52,478)
Net cash provided by financing activities	**-**	348,022
Change in cash, for the year	**(94,462)**	276,493
Cash - beginning of year	**353,022**	76,529
Cash - end of year	**258,560**	353,022

There were no non-cash financing or investing activities for the year ended September 30, 2021.

During the year ended September 30, 2020, the Company issued agents options with a fair value of $13,000, which are recorded as finders' fees and $10,000 in share issuance costs were outstanding in accounts payable and accrued liabilities.

During the years ended September 30, 2021 and 2020, the Company paid $nil in interest and taxes.

1. Nature and continuance of operations

Nature of operations

Holly Street Capital Ltd. (the "Company" or “Holly”) was incorporated under the British Columbia Corporations Act on July 31, 2019. The Company is intending to be classified as a Capital Pool Company as defined in the TSX Venture Exchange (the “Exchange”) Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction (“QT”) and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

On December 17, 2019, the Company completed its Initial Public Offering (“IPO”) on the Exchange raising gross proceeds of $250,000 through the issuance of 2,500,000 common shares at $0.10 per share. The Company’s common shares were approved for listing on the Exchange and commenced trading effective December 19, 2019 under the symbol “HSC.P”.

The head office, principal address and registered office of the Company are located at Suite 1500 - 1055 West Georgia St., P.O. Box 11117, Vancouver, B.C., V6E 4N7.

Going concern

These consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has not generated revenues from operations, and there is no assurance that the Company will identify a QT under the policies of the Exchange. If a QT is not completed, the Company will need to identify other sources of financing to remain as a going concern. As at September 30, 2021, the Company has a working capital surplus of $243,808 (2020 - $321,477). The Company has incurred losses from inception. During the year ended September 30, 2021, the Company recorded a loss of $77,669 (2020 - $140,671) and has a deficit of $234,214 (2020 - $156,545). These circumstances have resulted in a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying values of assets and liabilities.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

2. Basis of presentation and significant accounting policies

Basis of Presentation

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Presentation

These consolidated financial statements have been prepared on a historical cost basis, except for any financial assets and liabilities held at fair value, as explained in the accounting policies set out below. These consolidated financial statements are presented in Canadian Dollars, which is also the Company and it’s subsidiary’s functional currency.

2. Basis of presentation and significant accounting policies (continued)

Statement of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary 2812239 Ontario Inc. During the year ended September 30, 2021, the Company incorporated a new, wholly owned subsidiary in Canada. There were no transactions in the subsidiary. All intercompany transactions and balances have been eliminated on consolidation.

Significant accounting policies

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and the contractual terms of the cash flows. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVTPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Consolidated Statement of Loss and Comprehensive Loss in the period in which it arises.

2. Basis of presentation and significant accounting policies (continued)

Financial instruments (continued)

At present, the Company's cash is measured as FVTPL and its accounts payable and accrued liabilities are measured at amortized cost.

Impairment of Financial Assets at Amortized Cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share. For this purpose, the treasury stock method is used for the assumed proceeds upon the exercise of stock options and warrants that are used to purchase common shares at the average market price during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Income Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used are those that are substantively enacted by the end of the reporting date.

Deferred income tax is calculated based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting. The change in the net deferred income tax asset or liability is included in income except for deferred income tax relating to equity items which is recognized directly in equity. The income tax effects of differences in the periods when revenue and expenses are recognized, in accordance with Company's accounting practices, and the periods they are recognized for income tax purposes are reflected as deferred income tax assets or liabilities. Deferred income tax assets and liabilities are measured using the substantively enacted statutory income tax rates which are expected to apply to taxable income in the years in which the assets are realized or the liabilities settled. A valuation allowance is recorded against any deferred tax asset if it is not probable to be utilized against future taxable profit.

Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity and are intended to be settled on a net basis.

The determination of current and deferred taxes requires interpretations of tax legislation, estimates of expected timing of reversal of deferred tax assets and liabilities, and estimates of future earnings.

2. Basis of presentation and significant accounting policies (continued)

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Share capital and share issuance costs

The Company's common shares and any future offerings of share warrants and options are classified as equity instruments. Costs directly attributable to the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred share issuance costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to profit or loss if the shares are not issued.

Share-based compensation

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee. The Company accounts for share-based payments using the fair value method. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

The fair value of the share-based compensation awards is determined at the date of grant using the Black-Scholes option pricing model. The fair value of the award is charged to profit or loss, unless they are considered to be share issuance costs in which case they are booked as a reduction to share capital, and credited to reserves rateably over the vesting period, after adjusting for the number of awards that are expected to vest. Expenses recognized for forfeited awards are reversed. For awards that are cancelled, any expense not yet recognized is recognized immediately in profit or loss. Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified over the original vesting period. In addition, an expense is recognized for any modification which increases the total fair value of the share-based payment arrangement as measured at the date of modification, over the remainder of the vesting period.

Warrants

Warrants issued to agents in connection with a financing are recorded at fair value using the Black-Scholes option pricing model and charged as share issuance costs associated with the offering with an offsetting credit to share-based payment and warrants reserve.

Proceeds of the exercise of these warrants are credited to share capital together with the corresponding amount, if any, of the original warrant charge included in share-based payment and warrants reserve.

2. Basis of presentation and significant accounting policies (continued)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and it has the right to direct the use of the asset.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. The right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments, and amounts expected to be payable at the end of the lease term.

The Company does not recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

As at September 30, 2021 and 2020, the Company does not have any leases.

New accounting standards interpretations issued and applicable but not yet adopted

IAS 1 – Presentation of Financial Statements (“IAS 1”), has been amended to clarify how to classify debt and other liabilities as either current or non-current. The amendment to IAS 1 is effective for the years beginning on or after January 1, 2023, with early application permitted. The Company is currently assessing the impact of this amendment.

3. Significant Accounting Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company’s assets and liabilities are accounted for prospectively. Management believes the estimates and assumptions used in these consolidated financial statements are reasonable; however, actual results could differ from those estimates and could have a material impact on future results of the Company’s consolidated financial statements.

3. Significant Accounting Estimates and Judgments (continued)

The Company's significant accounting judgments and estimates have been applied in these consolidated financial statements:

Judgments

The evaluation of the Company's ability to continue as a going concern.

Estimations

The measurement of deferred income tax assets and liabilities; and

The inputs used in accounting for share-based compensation expense and for agents' options recorded in share capital and reserves.

4. Qualifying Transaction

Current Proposed Transaction

US Critical Metals Corp.

Subsequent to year end, the Company entered into a binding letter of intent ("LOI") with US Critical Metals Corp. ("USCM") on October 22, 2021. The LOI contemplates the parties will negotiate and enter into a definitive agreement whereby, the Company will acquire all the issued and outstanding shares of USCM by way of a three-cornered amalgamation. The Proposed Transaction will result in a reverse takeover transaction (the "Proposed Transaction").

Prior to the closing of the Proposed Transaction with USCM, Holly will consolidate its outstanding Holly Shares on the basis of one (1) new Holly Share for each one and one half (1.5) old Holly Shares, such that, prior to closing of the Proposed Transaction, Holly would have approximately, 5,006,666 Holly Shares issued and outstanding. It is intended that Holly Shares would be issued to holders of USCM on the basis of one (1) post-consolidation Holly Share for every one (1) USCM, resulting in the issuance of an aggregate 27,500,000 post-consolidation Holly Shares to the shareholders of USCM. In addition, 25,000,000 post-consolidation resulting issuer warrants will be issued to the current holders of USCM warrants on the same terms and conditions as the current USCM warrants.

Concurrent with the Proposed Transaction, USCM will arrange a concurrent financing of Holly Street to USCM for gross proceeds of a minimum of $2,000,000 at a price no less than $0.25 per common share. In addition, USCM reserves the right to include a share purchase warrant as part of the financing.

USCM is a private company existing under the laws of B.C. and is based in Vancouver, British Columbia. USCM's material assets comprise of two mineral property option agreements. The agreements would provide the option to acquire 100% of the right, title and interest of the Haynes Stellite Project, comprising 23 lode claims located in Idaho, USA, subject to a 3.0% net-smelter royalty and an option to acquire 100% of the right, title and interest of the Clayton Ridge Lithium Project, comprising 90 unpatented mining claims located in Esmerelda County, Nevada, USA, subject to a 3.0% gross overriding royalty.

Previously Proposed Transactions

Wolf Acquisition Corp.

On June 2, 2020, the Company and Wolf Acquisition Corp. ("WOLF.P") entered into a binding letter of intent ("LOI") with Jasper Studios Inc. in respect of a proposed business combination. The LOI was terminated on July 15, 2020 by the Company and WOLF.P to focus on identifying another transaction which would constitute a QT in accordance with Policy 2.4 – Capital Pool Companies of the Exchange.

4. Qualifying Transaction (continued)

Southern Sky Resources Corp.

On February 5, 2021, the Company entered in an amalgamation agreement with Southern Sky Resources Corp. ("Southern Sky") in respect of a proposed business combination which would constitute a QT (the "Proposed Combination"). Southern Sky is a private company existing under the laws of Ontario and is based in Toronto, Ontario.

Pursuant to the amalgamation agreement, the Company, Southern Sky and 2812239 Ontario Inc. would enter into a three cornered amalgamation and the Company would acquire all of the issued and outstanding Southern Sky Shares in exchange for the Company's common shares (the "Holly Shares"), resulting in a reverse takeover transaction.

On April 15, 2021, the Definitive Agreement was terminated between the parties and the Proposed Combination was not carried out.

5. Share Capital and Reserves

Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

Share issuances

For the year ended September 30, 2021

There were no share issuances during the year.

For the year ended September 30, 2020

On August 19, 2020, the Company completed a non-brokered private placement through the issuance of 3,010,000 common shares at a price of $0.05 per share for gross proceeds of $150,500.

The Company completed its IPO of 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000 pursuant to a prospectus dated November 29, 2019 filed with the British Columbia, Alberta and Ontario Securities Commissions. Pursuant to the IPO, the Company paid a cash commission of $25,000, paid corporate finance fee of $20,500, incurred an additional $16,978 in share issuance costs, and granted 250,000 agent options with a fair value of $13,000.

Stock option plan

The Company has a stock option plan whereby the Company may grant options with a maximum term of ten years, for up to 10% of the Company's issued and outstanding common shares, to directors, officers, employees and consultants at exercise prices to be determined by the market value on the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares, and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Incentive stock options issued have an immediate vesting term, unless vesting is imposed by the Company's Board of Directors.

Agents' Options

Concurrent with the completion of the IPO (Note 1), the Company granted 250,000 agent options exercisable at a price of $0.10 per share expiring two years from the listing date of December 19, 2019. The fair value of these agents' options granted was determined to be $13,000 using the Black-Scholes valuation model and the following inputs: exercise price of $0.10, stock price of $0.10, volatility of 100%, risk free rate of 1%, and a term of two years. The fair market value of these agents' options has been included as a reduction against share capital. The remaining life of the agents' options as at September 30, 2021 is 0.22 years.

5. Share Capital and Reserves (continued)

Stock Options

Concurrent with the completion of the IPO (Note 1), the Company granted 450,000 stock options to officers and directors exercisable at a price of $0.10 per share expiring ten years from the listing date of December 19, 2019. The fair value of these stock options granted was determined to be $40,000 using the Black-Scholes valuation model and the following inputs: exercise price of $0.10, stock price of $0.10, volatility of 100%, risk free rate of 1% and a term of ten years. The fair market value of these stock options has been included as in share-based compensation. The remaining life of the stock options as at September 30, 2021 is 6.39 years.

Due to the resignation of a director on July 22, 2021, 112,500 of the 450,000 stock options will expire on July 22, 2022, as per the Company's stock option plan.

Escrow Shares

On July 31, 2019, the Company issued 2,000,000 common shares to the founders of the Company at a price of $0.05 per share for gross proceeds of $100,000. During the year ended September 30, 2021, the Company adopted the new CPC rules, whereby the escrow term for founder's shares was reduced to 18 months and are no longer contingently returnable. Thus they have been included in the weighted average number of shares outstanding as at September 30, 2021.

6. Financial Instruments

As at September 30, 2021, the Company's financial instruments consist of cash and accounts payable and accrued liabilities. The Company believes that the carrying values of cash, and accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

The Company's cash is considered to be Level 1 within the fair value hierarchy (as discussed below).

Level 1– fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and
Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between the levels during the years ended September 30, 2021 and 2020.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As the Company's cash is held in one bank, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As of September 30, 2021, the Company's exposure to credit risk is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through equity offerings. There is no assurance of continued access to significant equity funding.

6. Financial Instruments (continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation; in addition, the Company carries no interest-bearing debt. As such, the Company has minimal market risks facing it at present.

7. Capital Management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the identification and evaluation of a QT and continue as a going concern. The Company considers capital to be all accounts in equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds may be required to finance the Company's QT. In accordance with Policy 2.4 of the Exchange, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a QT, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company in respect of the sale of its securities, may be used for purposes other than such identification and evaluation of businesses or assets. These restrictions apply until completion of a QT by the Company as defined under Policy 2.4 of the Exchange.

8. Related Party Transactions

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including entities controlled by such persons. The key management personnel include the Company's executive management team and the Board of Directors.

During the year ended September 30, 2021, the Company recognized $Nil (2020 - $40,000) in share-based compensation.

9. Income Taxes

A reconciliation of income taxes at statutory rates with the reported tax is as follows:

		2021		2020
Loss for the year	$	**(77,669)**	$	(140,671)
Expected income tax recovery – 27% (2020 – 27%)		**(21,000)**		(38,000)
Share issuance costs		**-**		(17,000)
Permanent differences		**-**		11,000
Change in unrecognized deductible temporary differences		**21,000**		44,000
Total income tax expense (recovery)	**$**	**-**	**$**	**-**

(Expressed in Canadian dollars)

9. Income Taxes (continued)

The significant components of the Company's unrecorded deferred tax assets are as follows:

		2021		2020
Deferred tax assets				
Share issuance costs	$	**10,000**	$	13,000
Non-capital losses available for future period		**59,000**		35,000
		69,000		48,000
Unrecognized deferred tax assets		**(69,000)**		(48,000)
Net deferred tax assets	**$**	**-**	**$**	**-**

Deferred tax assets have not been recognized in respect of the above for the years ended September 30, 2021 and 2020 because the amount of future taxable profit that will be available to realize such assets is not probable.

The significant components of the Company's unused temporary differences and tax losses are as follows:

		2021		2020
Temporary differences				
Share issuance costs	**37,000**	**2025**	50,000	2025
Non-capital losses available for future periods	**219,000**	**2039 to 2041**	129,000	2039 to 2040

Tax attributes are subject to review, and potential adjustment, by tax authorities.

Holly Street Capital Ltd.
(A Capital Pool Company)

FINANCIAL STATEMENTS

For three months ended December 31, 2021

Holly Street Capital Ltd.
(A CAPITAL POOL COMPANY)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars- Unaudited)

	December 31, 2021	September 30, 2021
	$	$
ASSETS		
Cash	**218,634**	**258,560**
Total assets	**218,634**	**258,560**
LIABILITIES		
Accounts payable and accrued liabilities	**6,936**	**14,752**
Total liabilities	**6,936**	**14,752**
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	**425,022**	**425,022**
Reserves (Note 5)	**53,000**	**53,000**
Deficit	**(266,324)**	**(234,214)**
Total shareholders' equity	**211,698**	**243,808**
Total liabilities and shareholders' equity	**218,634**	**258,560**

Nature of and continuance of operations (Note 1)

Approved by the Board of Directors on February 8, 2022:

"Damian Lopez"	***"Joel Freudman"***
Director	Director

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

Holly Street Capital Ltd.

(A CAPITAL POOL COMPANY)
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars - Unaudited)

For the three months ended	December 31, 2021	December 31, 2020
	$	$
Expenses		
Accounting and audit fees	**1,593**	-
Bank charges	**317**	430
Legal fees	**23,646**	2,295
Office and administrative	**-**	1,094
Regulatory and filing	**6,554**	2,433
Loss and comprehensive loss for the year	**(32,110)**	(6,252)
Loss per share		
Basic and diluted	**(0.00)**	(0.00)
Weighted average number of common shares outstanding (basic and diluted) (Note 5)	**7,510,000**	7,510,000

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(Expressed in Canadian dollars - Unaudited)

	Number of shares outstanding	Share capital	Reserves	Deficit	Total shareholders' equity
		$	$	$	$
Balance, September 30, 2020	**7,510,000**	**425,022**	**53,000**	**(156,545)**	**321,477**
Loss for the period	-	-	-	(6,252)	(6,252)
Balance, December 31, 2020	**7,510,000**	**425,022**	**53,000**	**(162,797)**	**315,225**
Balance, September 30, 2021	**7,510,000**	**425,022**	**53,000**	**(234,214)**	**243,808**
Loss for the period	-	-	-	(32,110)	(32,110)
Balance, December 31, 2021	**7,510,000**	**425,022**	**53,000**	**(266,324)**	**211,698**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

(Expressed in Canadian dollars - Unaudited)

For the three months ended	**December 31, 2021**	December 31, 2020
	$	$
Cash provided by (used in)		
Operating activities		
Loss for the period	**(32,110)**	(6,252)
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	**(7,816)**	(23,313)
Net cash used in operating activities	**(39,926)**	(29,565)
Change in cash, for the period	**(39,926)**	(29,565)
Cash - beginning of period	**258,560**	353,022
Cash - end of period	**218,634**	323,457

There were no non-cash financing or investing activities for the periods ended December 31, 2021, and 2020.

1. Nature and continuance of operations

Nature of operations

Holly Street Capital Ltd. (the "Company" or "Holly") was incorporated under the British Columbia Corporations Act on July 31, 2019. The Company is classified as a Capital Pool Company as defined in the TSX Venture Exchange (the "Exchange") Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction ("QT") and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

On December 17, 2019, the Company completed its Initial Public Offering ("IPO") on the Exchange raising gross proceeds of $250,000 through the issuance of 2,500,000 common shares at $0.10 per share. The Company's common shares were approved for listing on the Exchange and commenced trading effective December 19, 2019 under the symbol "HSC.P".

The head office, principal address and registered office of the Company are located at Suite 1500 - 1055 West Georgia St., P.O. Box 11117, Vancouver, B.C., V6E 4N7.

Going concern

These condensed interim consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company has not generated revenues from operations, and there is no assurance that the Company will identify a QT under the policies of the Exchange. If a QT is not completed, the Company will need to identify other sources of financing to remain as a going concern. As at December 31, 2021, the Company has a working capital surplus of $211,698 (September 30, 2021 - $243,808). The Company has incurred losses from inception. During the period ended December 31, 2021, the Company recorded a loss of $32,110 (December 31, 2020 - $6,252) and has a deficit of $266,324 (September 30, 2021 - $234,214). These circumstances have resulted in a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for these condensed interim consolidated financial statements, then adjustments would be necessary to the carrying values of assets and liabilities.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

2. Basis of presentation and significant accounting policies

Basis of Presentation

Statement of Compliance

These condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS") 34, '*Interim Financial Reporting*' using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of Presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for any financial assets and liabilities held at fair value, as explained in the accounting policies set out below. These condensed interim consolidated financial statements are presented in Canadian Dollars, which is also the Company and its subsidiary's functional currency.

2. Basis of presentation and significant accounting policies (continued)

Statement of Consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary 2812239 Ontario Inc. During the year ended September 30, 2021, the Company incorporated a new, wholly owned subsidiary in Canada. There were no transactions in the subsidiary. All intercompany transactions and balances have been eliminated on consolidation.

Significant accounting policies

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and the contractual terms of the cash flows. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVTPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Consolidated Statement of Loss and Comprehensive Loss in the period in which it arises.

2. Basis of presentation and significant accounting policies (continued)

Financial instruments (continued)

At present, the Company's cash is measured as FVTPL and its accounts payable and accrued liabilities are measured at amortized cost.

Impairment of Financial Assets at Amortized Cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses of the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share. For this purpose, the treasury stock method is used for the assumed proceeds upon the exercise of stock options and warrants that are used to purchase common shares at the average market price during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Income Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used are those that are substantively enacted by the end of the reporting date.

Deferred income tax is calculated based on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting. The change in the net deferred income tax asset or liability is included in income except for deferred income tax relating to equity items which is recognized directly in equity. The income tax effects of differences in the periods when revenue and expenses are recognized, in accordance with Company's accounting practices, and the periods they are recognized for income tax purposes are reflected as deferred income tax assets or liabilities. Deferred income tax assets and liabilities are measured using the substantively enacted statutory income tax rates which are expected to apply to taxable income in the years in which the assets are realized or the liabilities settled. A valuation allowance is recorded against any deferred tax asset if it is not probable to be utilized against future taxable profit.

Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity and are intended to be settled on a net basis.

The determination of current and deferred taxes requires interpretations of tax legislation, estimates of expected timing of reversal of deferred tax assets and liabilities, and estimates of future earnings.

2. Basis of presentation and significant accounting policies (continued)

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Share capital and share issuance costs

The Company's common shares and any future offerings of share warrants and options are classified as equity instruments. Costs directly attributable to the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred share issuance costs. These costs are deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related share capital or charged to profit or loss if the shares are not issued.

Share-based compensation

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee. The Company accounts for share-based payments using the fair value method. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received.

The fair value of the share-based compensation awards is determined at the date of grant using the Black-Scholes option pricing model. The fair value of the award is charged to profit or loss, unless they are considered to be share issuance costs in which case they are booked as a reduction to share capital, and credited to reserves rateably over the vesting period, after adjusting for the number of awards that are expected to vest. Expenses recognized for forfeited awards are reversed. For awards that are cancelled, any expense not yet recognized is recognized immediately in profit or loss. Where the terms of an equity-settled award are modified, as a minimum an expense is recognized as if the terms had not been modified over the original vesting period. In addition, an expense is recognized for any modification which increases the total fair value of the share-based payment arrangement as measured at the date of modification, over the remainder of the vesting period.

Warrants

Warrants issued to agents in connection with a financing are recorded at fair value using the Black-Scholes option pricing model and charged as share issuance costs associated with the offering with an offsetting credit to share-based payment and warrants reserve.

Proceeds of the exercise of these warrants are credited to share capital together with the corresponding amount, if any, of the original warrant charge included in share-based payment and warrants reserve.

2. Basis of presentation and significant accounting policies (continued)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and it has the right to direct the use of the asset.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. The right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments, and amounts expected to be payable at the end of the lease term.

The Company does not recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

As at December 31, 2021 and September 30, 2021, the Company does not have any leases.

New accounting standards interpretations issued and applicable but not yet adopted

IAS 1 – Presentation of Financial Statements ("IAS 1"), has been amended to clarify how to classify debt and other liabilities as either current or non-current. The amendment to IAS 1 is effective for the years beginning on or after January 1, 2023, with early application permitted. The Company is currently assessing the impact of this amendment.

3. Significant Accounting Estimates and Judgments

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Management believes the estimates and assumptions used in these condensed interim consolidated financial statements are reasonable; however, actual results could differ from those estimates and could have a material impact on future results of the Company's consolidated financial statements.

3. Significant Accounting Estimates and Judgments (continued)

The Company's significant accounting judgments and estimates have been applied in these consolidated financial statements:

Judgments

The evaluation of the Company's ability to continue as a going concern.

Estimations

The measurement of deferred income tax assets and liabilities; and

The inputs used in accounting for share-based compensation expense and for agents' options recorded in share capital and reserves.

4. Qualifying Transaction

Current Proposed Transaction

US Critical Metals Corp.

The Company entered into a share exchange agreement with US Critical Metals Corp. ("USCM") on January 7, 2022 (the "Definitive Agreement"). The Definitive Agreement is in respect of a business combination transaction pursuant to which the Company will acquire all of the issued and outstanding securities of USCM (the "Proposed Transaction"). The Proposed Transaction will result in a reverse takeover transaction. In addition, it is anticipated that the Resulting Issuer will continue the business of USCM under the name "US Critical Metals Corp."

Prior to the closing of the Proposed Transaction with USCM, Holly will consolidate its outstanding Holly Shares on the basis of one (1) new Holly Share for each one and one half (1.5) old Holly Shares, such that, prior to closing of the Proposed Transaction, Holly would have approximately, 5,006,666 Holly Shares issued and outstanding. It is intended that Holly Shares would be issued to holders of USCM on the basis of one (1) post-consolidation Holly Share for every one (1) USCM, resulting in the issuance of an aggregate 27,500,000 post-consolidation Holly Shares to the shareholders of USCM. In addition, 25,000,000 post-consolidation resulting issuer warrants will be issued to the current holders of USCM warrants on the same terms and conditions as the current USCM warrants.

Concurrent with the Proposed Transaction, USCM will arrange a concurrent financing of Holly Street for gross proceeds of a minimum of $2,000,000 at a price no less than $0.25 per common share. In addition, USCM reserves the right to include a share purchase warrant as part of the financing.

USCM is a private company existing under the laws of B.C. and is based in Vancouver, British Columbia. USCM's material assets comprise of two mineral property option agreements. The agreements would provide the option to acquire 100% of the right, title and interest of the Haynes Stellite Project, comprising 23 lode claims located in Idaho, USA, subject to a 3.0% net-smelter royalty and an option to acquire 100% of the right, title and interest of the Clayton Ridge Lithium Project, comprising 90 unpatented mining claims located in Esmerelda County, Nevada, USA, subject to a 3.0% gross overriding royalty.

Previously Proposed Transactions

Wolf Acquisition Corp.

On June 2, 2020, the Company and Wolf Acquisition Corp. ("WOLF.P") entered into a binding letter of intent ("LOI") with Jasper Studios Inc. in respect of a proposed business combination. The LOI was terminated on July 15, 2020 by the Company and WOLF.P to focus on identifying another transaction which would constitute a QT in accordance with Policy 2.4 – Capital Pool Companies of the Exchange.

4. Qualifying Transaction (continued)

Southern Sky Resources Corp.

On February 5, 2021, the Company entered in an amalgamation agreement with Southern Sky Resources Corp. ("Southern Sky") in respect of a proposed business combination which would constitute a QT (the "Proposed Combination"). Southern Sky is a private company existing under the laws of Ontario and is based in Toronto, Ontario.

Pursuant to the amalgamation agreement, the Company, Southern Sky and 2812239 Ontario Inc. would enter into a three cornered amalgamation and the Company would acquire all of the issued and outstanding Southern Sky Shares in exchange for the Company's common shares (the "Holly Shares"), resulting in a reverse takeover transaction.

On April 15, 2021, the Definitive Agreement was terminated between the parties and the Proposed Combination was not carried out.

5. Share Capital and Reserves

Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

Share issuances

There were no share issuances during the three-month period ended December 31, 2021, and 2020.

Stock option plan

The Company has a stock option plan whereby the Company may grant options with a maximum term of ten years, for up to 10% of the Company's issued and outstanding common shares, to directors, officers, employees and consultants at exercise prices to be determined by the market value on the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares, and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Incentive stock options issued have an immediate vesting term, unless vesting is imposed by the Company's Board of Directors.

Agents' Options

Concurrent with the completion of the IPO (Note 1), the Company granted 250,000 agent options exercisable at a price of $0.10 per share expiring two years from the listing date of December 19, 2019. The fair value of these agents' options granted was determined to be $13,000 using the Black-Scholes valuation model and the following inputs: exercise price of $0.10, stock price of $0.10, volatility of 100%, risk free rate of 1%, and a term of two years. The fair market value of these agents' options has been included as a reduction against share capital. These agent options expired on December 19, 2021 unexercised.

Stock Options

Concurrent with the completion of the IPO (Note 1), the Company granted 450,000 stock options to officers and directors exercisable at a price of $0.10 per share expiring ten years from the listing date of December 19, 2019. The fair value of these stock options granted was determined to be $40,000 using the Black-Scholes valuation model and the following inputs: exercise price of $0.10, stock price of $0.10, volatility of 100%, risk free rate of 1% and a term of ten years. The fair market value of these stock options has been included as in share-based compensation. The remaining life of the stock options as at December 31, 2021 is 6.12 years.

5. Share Capital and Reserves (continued)

Due to the resignation of a director on July 22, 2021, 112,500 of the 450,000 stock options will expire on July 22, 2022, as per the Company's stock option plan.

Escrow Shares

On July 31, 2019, the Company issued 2,000,000 common shares to the founders of the Company at a price of $0.05 per share for gross proceeds of $100,000. During the year ended September 30, 2021, the Company adopted the new CPC rules, whereby the escrow term for founder's shares was reduced to 18 months and are no longer contingently returnable. Thus they have been included in the weighted average number of shares outstanding as at December 31, 2021 and September 30, 2021.

6. Financial Instruments

As at December 31, 2021, the Company's financial instruments consist of cash and accounts payable and accrued liabilities. The Company believes that the carrying values of cash, and accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

The Company's cash is considered to be Level 1 within the fair value hierarchy (as discussed below).

Level 1– fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and
Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between the levels during the period ended December 31, 2021 and September 30, 2021.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As the Company's cash is held in one bank, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. As of December 31, 2021, the Company's exposure to credit risk is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through equity offerings. There is no assurance of continued access to significant equity funding.

6. Financial Instruments (continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation; in addition, the Company carries no interest-bearing debt. As such, the Company has minimal market risks facing it at present.

7. Capital Management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the identification and evaluation of a QT and continue as a going concern. The Company considers capital to be all accounts in equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. Additional funds may be required to finance the Company's QT. In accordance with Policy 2.4 of the Exchange, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a QT, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company in respect of the sale of its securities, may be used for purposes other than such identification and evaluation of businesses or assets. These restrictions apply until completion of a QT by the Company as defined under Policy 2.4 of the Exchange.

8. Related Party Transactions

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including entities controlled by such persons. The key management personnel include the Company's executive management team and the Board of Directors.

APPENDIX B

MANAGEMENT'S DISCUSSION AND ANALYSIS OF HOLLY STREET FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020 AND FOR THE THREE-MONTH PERIOD ENDED DECEMBER 31, 2021

Holly Street Capital Ltd.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Background

This management's discussion and analysis ("MD&A") of the operations, results, and consolidated financial position of Holly Street Capital Ltd. (the "Company") for the year ended September 30, 2021, should be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2021 and the notes to those consolidated financial statements.

The effective date of this report is December 15, 2021.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee ("IFRIC") issued and outstanding as at September 30, 2021. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Company Overview

The Company was incorporated under the *Business Corporations Act* (British Columbia) on July 31, 2019. The Company is classified as a Capital Pool Company as defined in the TSX Venture Exchange (the "Exchange" or "TSX-V") Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction ("QT") and once identified, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

On December 17, 2019, the Company completed its Initial Public Offering ("IPO") on the Exchange raising gross proceeds of $250,000 through the issuance of 2,500,000 common shares at $0.10 per share. The Company's common shares were approved for listing on the Exchange and commenced trading effective December 19, 2019 under the symbol "HSC.P".

The head office, principal address and registered office of the Company are located at Suite 1500 - 1055 West Georgia St, P.O. Box 11117, Vancouver, B.C., V6E 4N7.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate an acquisition of an interest in assets or businesses which qualifies as a QT. Such an acquisition or investment will be subject to regulatory approval and may or may not require additional financing. There is no assurance that the Company will be able to complete a QT or that it will be able to secure the necessary financing to complete a QT. If the Company does not meet these requirements, the TSX-V may suspend from trading or delist the shares of the Company.

Completion of Initial Public Offering

The Company completed its IPO of 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000 pursuant to a Prospectus dated November 29, 2019 filed with the British Columbia, Alberta and Ontario Securities Commissions. Pursuant to the IPO, the Company paid a cash commission of $25,000, paid corporate finance fee of $20,500, incurred an additional $16,978 in share issuance costs, and granted 250,000 agent options.

Overall Performance and Qualifying Transaction

The Company was incorporated on July 31, 2019. The Company does not have any operations to the date of this document and, until it completes a QT, will not conduct any business other than the identification and evaluation of businesses and assets for potential acquisition. Accordingly, the Company does not generate any revenue, nor does it pay any dividends.

As at September 30, 2021, the Company had a deficit of $234,214. The Company's potential acquisition of a QT and recurring operating losses and working capital needs may require that it obtain additional capital to continue its operation. Such outside capital may include the sale of additional common shares. During the year ended September 30, 2021, the Company's cash balance decreased to $258,260 from $353,022. The decrease is due primarily to the payment of trade payables and regular monthly overhead costs.

On July 22, 2021, Trumbull Fisher resigned from the Company's board of directors and was replaced by Anthony Viele.

Qualifying Transactions

<u>*Current Proposed Transaction*</u>

On October 22, 2021, the Company entered into a binding letter of intent ("LOI") with US Critical Metals Corp. ("USCM"). The LOI contemplates the parties will negotiate and enter into a definitive agreement whereby, the Company will acquire all the issued and outstanding shares of USCM by way of a three-cornered amalgamation. The Proposed Transaction will result in a reverse takeover transaction (the "Proposed Transaction").

Prior to the closing of the Proposed Transaction with USCM, Holly will consolidate its outstanding Holly Shares on the basis of one (1) new Holly Share for each one and one half (1.5) old Holly Shares, such that, prior to closing of the Proposed Transaction, Holly would have approximately, 5,006,666 Holly Shares issued and outstanding. It is intended that Holly Shares would be issued to holders of USCM on the basis of one (1) post-consolidation Holly Share for every one (1) USCM, resulting in the issuance of an aggregate 27,500,000 post-consolidation Holly Shares to the shareholders of USCM. In addition, 25,000,000 post-consolidation resulting issuer warrants will be issued to the current holders of USCM warrants on the same terms and conditions as the current USCM warrants.

Concurrent with the Proposed Transaction, USCM will arrange a concurrent financing of Holly Street to USCM for gross proceeds of a minimum of $2,000,000 at a price no less than $0.25 per common share. In addition, USCM reserves the right to include a share purchase warrant as part of the financing.

USCM is a private company existing under the laws of B.C. and is based in Vancouver, British Columbia. USCM's material assets comprise of two mineral property option agreements. The agreements would provide the option to acquire 100% of the right, title and interest of the Haynes Stellite Project, comprising 23 lode claims located in Idaho, USA, subject to a 3.0% net-smelter royalty and an option to acquire 100% of the right, title and interest of the Clayton Ridge Lithium Project, comprising 90 unpatented mining claims located in Esmerelda County, Nevada, USA, subject to a 3.0% gross overriding royalty.

Clayton Ridge Lithium Project

On October 22, 2021, USCM, through its wholly owned subsidiary, US Energy Metals Corp., entered into a property purchase option agreement to acquire the Clayton Ridge Lithium Project. To exercise the option, a series of payments must be made as follows:

Milestone	**Payment Amount**
Upon signing the option agreement (the "Signing Date");	$25,000 cash
On the first anniversary of the Signing Date	$75,000 cash and 500,000 shares of USCM
On the second anniversary of the Signing Date	$75,000 cash and 500,000 shares of USCM
Upon listing of USCM shares on a recognized Canadian stock exchange	$50,000 cash and 500,000 shares of USCM
Upon completion of a 43-101 compliant technical report which confirms the presence on the Nevada Property of 2,000,000 tons of lithium carbonate equivalent.	1,000,000 shares of USCM

The underlying vendor will also maintain a 3 percent (3.0%) gross overriding return ("GOR") on production, subject to a buy-back provision whereby USCM can purchase back one percent (1.0%) of the GOR from the underlying vendor in exchange for US$1.0 million.

Haynes Stellite Project

On September 24, 2021, USCM, through its wholly owned subsidiary, US Energy Metals Corp., entered into a property purchase option agreement to acquire the Haynes Stellite Project. In addition to paying for annual BLM fees, 43-101 compliant report preparation fees, and fund an exploration program with no less than $100,000 in expenditures, in order to exercise the option, a series of payments must be made as follows:

Milestone	Payment Amount
Upon closing of a go public transaction resulting in the USCM Shares being listed on a recognized stock exchange in Canada	2,500,000 shares of USCM
Upon the listing of the USCM Shares on a recognized stock exchange in Canada	$50,000 cash
On the one-year anniversary of listing of the USCM Shares on a recognized stock exchange in Canada.	$50,000 cash

The underlying vendor will also maintain a 3% net smelter return royalty ("NSR") on production, subject to a buyback provision whereby USCM can purchase back 1.5% of the NSR from the underlying vendor in exchange for $1.5 million.

Previously Proposed Transactions

On June 2, 2020, the Company and Wolf Acquisition Corp. ("WOLF.P") entered into a binding letter of intent ("LOI") with Jasper Interactive Studios Inc. in respect of a proposed business combination. The LOI was terminated on July 15, 2020 by the Company and WOLF.P to focus on identifying another transaction which would constitute a Qualifying Transaction in accordance with Policy 2.4 – Capital Pool Companies of the Exchange.

On September 10, 2020, the Company entered in a binding LOI with Southern Sky Resources Corp. ("Southern Sky") in respect of a proposed business combination which would constitute a QT (the "Proposed Transaction"). Southern Sky is a private company existing under the laws of Ontario and is based in Toronto, Ontario.

Southern Sky's material assets consist of an option to acquire a 75% interest in a mineral exploration project located in western Colombia pursuant to an option agreement dated June 12, 2020 with a private Colombian company, and a 100% interest in an exploration property located in the Cuyuni Mining District, Guyana.

The LOI contemplated that the Company and Southern Sky would negotiate and enter into a definitive agreement in respect of a Proposed Transaction (the "Definitive Agreement"), pursuant to which it was anticipated that the Company would acquire all of the issued and outstanding Southern Sky Shares in exchange for the Company's post-consolidated common shares (the "Holly Shares"), resulting in a reverse takeover of Holly by Southern Sky.

Prior to the closing of the Proposed Transaction, Holly would have consolidated its outstanding Holly Shares on the basis of one (1) new Holly Share for each two (2) old Holly Shares (the "Consolidation"), such that, prior to closing of the Proposed Transaction, Holly would have approximately 3,755,000 Holly Shares issued and outstanding. It was intended that Holly Shares would be issued to holders of Southern Sky Shares on the basis of one (1) post-Consolidation Holly Share for every one (1) Southern Sky Share, resulting in the issuance of an aggregate 20,500,000 post-Consolidation Holly Shares to the shareholders of Southern Sky.

On February 5, 2021, the Company entered into the Definitive Agreement with Southern Sky, however on April 15, 2021, the Definitive Agreement was terminated.

Selected Annual Consolidated Financial Information

	For the year ended September 30, 2021	For the year ended September 30, 2020	July 31, 2019 (date of incorporation) to September 30, 2019
	$	$	$
Total assets	258,560	353,022	97,029
Total non-current liabilities	-	-	-
Total expenses[(1)]	77,669	140,671	15,874
Less interest income	-	-	-
Loss and comprehensive loss	(77,669)	(140,671)	(15,874)
Basic & diluted loss per share	(0.01)	(0.06)	-
Weighted average number of common shares outstanding	7,510,000	2,312,623	-

(1) Total expenses include professional fees.

Selected Quarterly Results

The following table contains selected consolidated financial information for prior quarters:

Quarters Ended:	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
	$	$	$	$
Total expenses	23,255	9,346	38,816	6,252
Less interest income	-	-	-	-
Loss and comprehensive loss	(23,255)	(9,346)	(38,816)	(6,252)
Basic & diluted loss per share	(0.00)	(0.00)	(0.01)	(0.00)

Quarters Ended:	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
	$	$	$	$
Total expenses	36,130	7,131	10,761	86,649
Less interest income	-	-	-	-
Loss and comprehensive loss	(36,130)	(7,131)	(10,761)	(86,649)
Basic & diluted loss per share	(0.02)	(0.00)	(0.00)	(0.05)

During the three and twelve months ended September 30, 2021, the Company had a net loss of $23,255 and $77,669, compared to a net loss of $36,130 and $140,671 in the comparable periods. During the previous three month period, the Company incurred additional fees with respect to the Southern Sky transaction which was ultimately terminated on April 15, 2021. During the previous twelve months comparable period, net loss was higher due to share-based compensation being recognized which did not occur in the current twelve months period, in addition to additional legal fees incurred related to the Southern Sky transaction.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional consolidated financial information is available in the Company's audited consolidated financial statements for the year ended September 30, 2021. These consolidated statements are available on SEDAR at www.sedar.com.

The following addresses the specific disclosure requirements for venture issues without significant revenues:

(a) Capitalized or expensed exploration and development costs – Not applicable

(b) Expensed research and development costs – Not applicable
(c) Deferred development costs – Not applicable
(d) General administrative expenses – the consolidated financial information is presented in the Consolidated Statement of Loss and Comprehensive Loss in the consolidated financial statements.
(e) Any material costs, whether capitalized, deferred or expensed, not referred to in (a) through (d) – None.

Profits

At this time, the Company is not anticipating profit or revenue from operations. The Company will report an annual deficit and quarterly deficit and will rely on its ability to obtain equity financing to fund its search for a QT. For information concerning the business of the Company, please see “Company Overview”.

Liquidity

As at September 30, 2021, the Company had cash of $258,560.

As at September 30, 2021, the Company had a working capital of $243,808 which is defined as current assets less current liabilities. This is expected to be adequate to maintain the Company’s current levels of activity for the foreseeable future.

Capital Resources

On August 19, 2020, the Company completed a non-brokered private placement through the issuance of 3,010,000 common shares at a price of $0.05 per share for gross proceeds of $150,500.

On December 17, 2019, the Company completed its IPO of 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000. Pursuant to the IPO, the Company paid a cash commission of $25,000, paid corporate finance fee of $20,500, incurred an additional $16,978 in share issuance costs, and granted 250,000 agent options with a fair value of $13,000.

In accordance with Policy 2.4 of the Exchange, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a QT, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company in respect of the sale of its securities, or $30,000, may be used for purposes other than such identification and evaluation of businesses or assets. These restrictions apply until completion of a QT by the Company as defined under Policy 2.4 of the Exchange.

There is no assurance that the Company will be able to identify a suitable business, asset or property as its Qualifying Transaction. Furthermore, even if a QT is identified, there can be no assurance that the Company will be able to complete the transaction.

If the Company identifies a QT, it may be necessary for the Company to seek additional financing. Capital markets may not always be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings, under terms that would be acceptable for the Company.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions between Related Parties

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including entities controlled by such persons. The key management personnel include the Company’s executive management team and the Board of Directors.

During the year ended September 30, 2021, the Company recognized $Nil (2020 - $40,000) in share-based compensation.

Proposed Transactions

Please see Qualifying Transactions discussed above.

Critical Accounting Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Management believes the estimates and assumptions used in these consolidated financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of the Company's consolidated financial statements.

The Company's significant accounting judgments and estimates applied in its consolidated financial statements are as follows:

Judgments

The evaluation of the Company's ability to continue as a going concern.

Estimations

The measurement of deferred income tax assets and liabilities; and

The inputs used in accounting for share-based compensation expense and for agents' options recorded in share capital and reserves.

New Accounting Standards and interpretations

IAS 1 – Presentation of Financial Statements ("IAS 1"), has been amended to clarify how to classify debt and other liabilities as either current or non-current. The amendment to IAS 1 is effective for the years beginning on or after January 1, 2023, with early application permitted. The Company is currently assessing the impact of this amendment.

A detailed summary of all of the Company's significant accounting policies is included in Note 2 of the Company's audited consolidated financial statements for the year ended September 30, 2021.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and the contractual terms of the cash flows. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVTPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Consolidated Statement of Loss and Comprehensive Loss in the period in which it arises.

At present, the Company's cash is measured as FVTPL and its accounts payable and accrued liabilities are measured at amortized cost.

The Company's cash is considered to be Level 1 within the fair value hierarchy (as discussed below).

- Level 1– fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;

- Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and

- Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As the Company's cash is held in one bank, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's exposure to credit risk is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings. There is no assurance of continued access to significant equity funding.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation; in addition, the Company carries no interest-bearing debt. As such, the Company has minimal market risks facing it at present.

Disclosure of Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value.

As at the date of this MD&A, the Company had 7,510,000 common shares, 250,000 agent's options, 450,000 stock options and no warrants outstanding.

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

1. The Company has no commercial operations, and has no assets other than cash. The Company has no history of earnings, and will not generate earnings or pay dividends until at least after the completion of the Qualifying Transaction, if ever.

2. Until completion of the Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions.

3. The Company only has limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

4. If the Company fails to identify a business or assets that warrant acquisition or participation within the time limits set under the policies of the Exchange, the Exchange may de-list the Company's shares from trading.

5. If a Qualifying Transaction is completed, there can be no assurance that an active and liquid market for the Company's common shares will develop and investors may find it difficult to resell the common shares.

Disclosure Controls and Procedures

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS. As the Company is a venture issuer, management does not make any representations in this regard, and the Company has inherent limitations in this regard that may result in additional risks relating to its filings and reporting.

Forward-Looking Statements

This MD&A contains forward-looking statements, including those relating to the Proposed Transaction, the adequacy of the Company's working capital balance, and anticipated future expenses. All statements, other than statements of historical fact, constitute "forward-looking statements" and include any information that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future, including the Company's strategy, plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance.

Forward-looking statements are generally identifiable by the use of the words “may”, “will”, “should”, “continue”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “plan” or “project” or the negative of these words or other variations on these words or comparable terminology. All such forward-looking information and statements are based on certain assumptions and analyses made by the Company’s management in relation to the Proposed Transaction, among other things, and are made in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed, implied by or projected in the forward-looking information or statements. Important factors that could cause actual results to differ from these forward-looking statements are discussed in Risks and Uncertainties.

There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. Except as required by applicable securities laws, the Company does not intend to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events.

Holly Street Capital Ltd.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2021

Background

This management's discussion and analysis ("MD&A") of the operations, results, and consolidated financial position of Holly Street Capital Ltd. (the "Company") for the first quarter ended December 31, 2021, should be read in conjunction with the Company's condensed interim consolidated financial statements for the period ended December 31, 2021 and the notes to those consolidated financial statements in addition to the audited consolidated financial statements and related notes for the year ended September 30, 2021.

The effective date of this report is February 8, 2022.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and interpretations of the IFRS Interpretations Committee ("IFRIC") issued and outstanding as at December 31, 2021. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Company Overview

The Company was incorporated under the *Business Corporations Act* (British Columbia) on July 31, 2019. The Company is classified as a Capital Pool Company as defined in the TSX Venture Exchange (the "Exchange" or "TSX-V") Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction ("QT") and once identified, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

On December 17, 2019, the Company completed its Initial Public Offering ("IPO") on the Exchange raising gross proceeds of $250,000 through the issuance of 2,500,000 common shares at $0.10 per share. The Company's common shares were approved for listing on the Exchange and commenced trading effective December 19, 2019 under the symbol "HSC.P".

The head office, principal address and registered office of the Company are located at Suite 1500 - 1055 West Georgia St, P.O. Box 11117, Vancouver, B.C., V6E 4N7.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate an acquisition of an interest in assets or businesses which qualifies as a QT. Such an acquisition or investment will be subject to regulatory approval and may or may not require additional financing. There is no assurance that the Company will be able to complete a QT or that it will be able to secure the necessary financing to complete a QT. If the Company does not meet these requirements, the TSX-V may suspend from trading or delist the shares of the Company.

Completion of Initial Public Offering

The Company completed its IPO of 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000 pursuant to a Prospectus dated November 29, 2019 filed with the British Columbia, Alberta and Ontario Securities Commissions. Pursuant to the IPO, the Company paid a cash commission of $25,000, paid corporate finance fee of $20,500, incurred an additional $16,978 in share issuance costs, and granted 250,000 agent options.

Overall Performance and Qualifying Transaction

The Company was incorporated on July 31, 2019. The Company does not have any operations to the date of this document and, until it completes a QT, will not conduct any business other than the identification and evaluation of businesses and assets for potential acquisition. Accordingly, the Company does not generate any revenue, nor does it pay any dividends.

As at December 31, 2021, the Company had a deficit of $266,324. The Company's potential acquisition of a QT and recurring operating losses and working capital needs may require that it obtain additional capital to continue its operation. Such outside capital may include the sale of additional common shares. During the period ended December 31, 2021, the Company's cash balance decreased to $218,634 from $258,560. The decrease is due primarily to the payment of trade payables and regular monthly overhead costs.

Qualifying Transactions

Current Proposed Transaction

The Company entered into a share exchange agreement with US Critical Metals Corp. ("USCM") on January 7, 2022 (the "Definitive Agreement"). The Definitive Agreement is in respect of a business combination transaction pursuant to which the Company will acquire all of the issued and outstanding securities of USCM (the "Proposed Transaction"). The Proposed Transaction will result in a reverse takeover transaction. In addition, it is anticipated that the Resulting Issuer will continue the business of USCM under the name "US Critical Metals Corp."

Prior to the closing of the Proposed Transaction with USCM, Holy will consolidate its outstanding Holly Shares on the basis of one (1) new Holly Share for each one and one half (1.5) old Holly Shares, such that, prior to closing of the Proposed Transaction, Holly would have approximately, 5,006,666 Holly Shares issued and outstanding. It is intended that Holly Shares would be issued to holders of USCM on the basis of one (1) post-consolidation Holly Share for every one (1) USCM, resulting in the issuance of an aggregate 27,500,000 post-consolidation Holly Shares to the shareholders of USCM. In addition, 25,000,000 post-consolidation resulting issuer warrants will be issued to the current holders of USCM warrants on the same terms and conditions as the current USCM warrants.

Concurrent with the Proposed Transaction, USCM will arrange a concurrent financing of Holly Street for gross proceeds of a minimum of $2,000,000 at a price no less than $0.25 per common share. In addition, USCM reserves the right to include a share purchase warrant as part of the financing.

USCM is a private company existing under the laws of B.C. and is based in Vancouver, British Columbia. USCM's material assets comprise of two mineral property option agreements. The agreements would provide the option to acquire 100% of the right, title and interest of the Haynes Stellite Project, comprising 23 lode claims located in Idaho, USA, subject to a 3.0% net-smelter royalty and an option to acquire 100% of the right, title and interest of the Clayton Ridge Lithium Project, comprising 90 unpatented mining claims located in Esmerelda County, Nevada, USA, subject to a 3.0% gross overriding royalty.

Clayton Ridge Lithium Project

On October 22, 2021, USCM, through its wholly owned subsidiary, US Energy Metals Corp., entered into a property purchase option agreement to acquire the Clayton Ridge Lithium Project. To exercise the option, a series of payments must be made as follows:

Milestone	Payment Amount
Upon signing the option agreement (the "Signing Date");	$25,000 cash
On the first anniversary of the Signing Date	$75,000 cash and 500,000 shares of USCM
On the second anniversary of the Signing Date	$75,000 cash and 500,000 shares of USCM
Upon listing of USCM shares on a recognized Canadian stock exchange	$50,000 cash and 500,000 shares of USCM
Upon completion of a 43-101 compliant technical report which confirms the presence on the Nevada Property of 2,000,000 tons of lithium carbonate equivalent.	1,000,000 shares of USCM

The underlying vendor will also maintain a 3 percent (3.0%) gross overriding return ("GOR") on production, subject to a buy-back provision whereby USCM can purchase back one percent (1.0%) of the GOR from the underlying vendor in exchange for US$1.0 million.

Haynes Stellite Project

On September 24, 2021, USCM, through its wholly owned subsidiary, US Energy Metals Corp., entered into a property purchase option agreement to acquire the Haynes Stellite Project. In addition to paying for annual BLM fees, 43-101 compliant report preparation fees, and fund an exploration program with no less than $100,000 in expenditures, in order to exercise the option, a series of payments must be made as follows:

Milestone	Payment Amount
Upon closing of a go public transaction resulting in the USCM Shares being listed on a recognized stock exchange in Canada	2,500,000 shares of USCM
Upon the listing of the USCM Shares on a recognized stock exchange in Canada	$50,000 cash
On the one-year anniversary of listing of the USCM Shares on a recognized stock exchange in Canada.	$50,000 cash

The underlying vendor will also maintain a 3% net smelter return royalty ("NSR") on production, subject to a buyback provision whereby USCM can purchase back 1.5% of the NSR from the underlying vendor in exchange for $1.5 million.

Previously Proposed Transactions

On June 2, 2020, the Company and Wolf Acquisition Corp. ("WOLF.P") entered into a binding letter of intent ("LOI") with Jasper Interactive Studios Inc. in respect of a proposed business combination. The LOI was terminated on July 15, 2020 by the Company and WOLF.P to focus on identifying another transaction which would constitute a Qualifying Transaction in accordance with Policy 2.4 – Capital Pool Companies of the Exchange.

On February 5, 2021, the Company entered into the Definitive Agreement with Southern Sky Resources Corp. ("Southern Sky"). Southern Sky is a private company existing under the laws of Ontario and is based in Toronto, Ontario. However, on April 15, 2021, the Definitive Agreement was terminated.

Selected Quarterly Results

The following table contains selected consolidated financial information for prior quarters:

Quarters Ended:	**December 31, 2021**	**September 30, 2021**	**June 30, 2021**	**March 31, 2021**
	$	$	$	$
Total expenses	32,110	23,255	9,346	38,816
Less interest income	-	-	-	-
Loss and comprehensive loss	(32,110)	(23,255)	(9,346)	(38,816)
Basic & diluted loss per share	(0.00)	(0.00)	(0.00)	(0.01)

Quarters Ended:	**December 31, 2020**	**September 30, 2020**	**June 30, 2020**	**March 31, 2020**
	$	$	$	$
Total expenses	6,252	36,130	7,131	10,761
Less interest income	-	-	-	-
Loss and comprehensive loss	(6,252)	(36,130)	(7,131)	(10,761)
Basic & diluted loss per share	(0.00)	(0.02)	(0.00)	(0.00)

During the three months ended December 31, 2021, the Company had a net loss of $32,110, compared to a net loss of $6,252 in the comparable period. During the most recent three-month period, the Company incurred additional fees with respect to the Proposed Transaction.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional consolidated financial information is available in the Company's audited consolidated financial statements for the period ended December 31, 2021. These consolidated statements are available on SEDAR at www.sedar.com.

The following addresses the specific disclosure requirements for venture issuers without significant revenues:

(a) Capitalized or expensed exploration and development costs – Not applicable
(b) Expensed research and development costs – Not applicable
(c) Deferred development costs – Not applicable
(d) General administrative expenses – the consolidated financial information is presented in the Consolidated Statement of Loss and Comprehensive Loss in the consolidated financial statements.
(e) Any material costs, whether capitalized, deferred or expensed, not referred to in (a) through (d) – None.

Profits

At this time, the Company is not anticipating profit or revenue from operations. The Company will report an annual deficit and quarterly deficit and will rely on its ability to obtain equity financing to fund its search for a QT. For information concerning the business of the Company, please see "Company Overview".

Liquidity

As at December 31, 2021, the Company had cash of $218,634.

As at December 31, 2021, the Company had a working capital of $211,698 which is defined as current assets less current liabilities. This is expected to be adequate to maintain the Company's current levels of activity for the foreseeable future.

Capital Resources

On August 19, 2020, the Company completed a non-brokered private placement through the issuance of 3,010,000 common shares at a price of $0.05 per share for gross proceeds of $150,500.

On December 17, 2019, the Company completed its IPO of 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000. Pursuant to the IPO, the Company paid a cash commission of $25,000, paid corporate finance fee of $20,500, incurred an additional $16,978 in share issuance costs, and granted 250,000 agent options with a fair value of $13,000.

In accordance with Policy 2.4 of the Exchange, the proceeds raised from the sale of securities may only be used to identify and evaluate assets or businesses, and obtain shareholder approval for a QT, with the exception that up to the lesser of 30% of the gross proceeds realized by the Company in respect of the sale of its securities, or $30,000, may be used for purposes other than such identification and evaluation of businesses or assets. These restrictions apply until completion of a QT by the Company as defined under Policy 2.4 of the Exchange.

There is no assurance that the Company will be able to identify a suitable business, asset or property as its Qualifying Transaction. Furthermore, even if a QT is identified, there can be no assurance that the Company will be able to complete the transaction.

If the Company identifies a QT, it may be necessary for the Company to seek additional financing. Capital markets may not always be receptive to offerings of new equity from treasury or debt, whether by way of private placements or public offerings, under terms that would be acceptable for the Company.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions between Related Parties

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly, including entities controlled by such persons. The key management personnel include the Company's executive management team and the Board of Directors.

Proposed Transactions

Please see Overall Performance and Qualifying Transaction discussed above.

Critical Accounting Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Management believes the estimates and assumptions used in these consolidated financial statements are reasonable; however, actual results could differ from those estimates and could impact future results of the Company's consolidated financial statements.

The Company's significant accounting judgments and estimates applied in its condensed interim consolidated financial statements are as follows:

Judgments

The evaluation of the Company's ability to continue as a going concern.

Estimations

The measurement of deferred income tax assets and liabilities; and

The inputs used in accounting for share-based compensation expense and for agents' options recorded in share capital and reserves.

New Accounting Standards and interpretations

IAS 1 – Presentation of Financial Statements ("IAS 1"), has been amended to clarify how to classify debt and other liabilities as either current or non-current. The amendment to IAS 1 is effective for the years beginning on or after January 1, 2023, with early application permitted. The Company is currently assessing the impact of this amendment.

A detailed summary of all of the Company's significant accounting policies is included in Note 2 of the Company's previously audited consolidated financial statements for the year ended September 30, 2021.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and the contractual terms of the cash flows. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification. There are three measurement categories under which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

- FVTPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Consolidated Statement of Loss and Comprehensive Loss in the period in which it arises.

At present, the Company's cash is measured as FVTPL and its accounts payable and accrued liabilities are measured at amortized cost.

The Company's cash is considered to be Level 1 within the fair value hierarchy (as discussed below).

- Level 1– fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;

- Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and

- Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. As the Company's cash is held in one bank, there is a concentration of credit risk. This risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The Company's exposure to credit risk is minimal.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings. There is no assurance of continued access to significant equity funding.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments. The Company's activities have only been transacted in Canadian dollars since incorporation; in addition, the Company carries no interest-bearing debt. As such, the Company has minimal market risks facing it at present.

Disclosure of Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares without par value.

As at the date of this MD&A, the Company had 7,510,000 common shares, 450,000 stock options and no warrants outstanding.

Risks and Uncertainties

The Company's financial performance is likely to be subject to the following risks:

1. The Company has no commercial operations, and has no assets other than cash. The Company has no history of earnings, and will not generate earnings or pay dividends until at least after the completion of the Qualifying Transaction, if ever.

2. Until completion of the Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions.

3. The Company only has limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify or complete a suitable Qualifying Transaction.

4. If the Company fails to identify a business or assets that warrant acquisition or participation within the time limits set under the policies of the Exchange, the Exchange may de-list the Company's shares from trading.

5. If a Qualifying Transaction is completed, there can be no assurance that an active and liquid market for the Company's common shares will develop and investors may find it difficult to resell the common shares.

Disclosure Controls and Procedures

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS. As the Company is a venture issuer, management does not make any representations in this regard, and the Company has inherent limitations in this regard that may result in additional risks relating to its filings and reporting.

Forward-Looking Statements

This MD&A contains forward-looking statements, including those relating to the Proposed Transaction, the adequacy of the Company's working capital balance, and anticipated future expenses. All statements, other than statements of historical fact, constitute "forward-looking statements" and include any information that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future, including the Company's strategy, plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance.

Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. All such forward-looking information and statements are based on certain assumptions and analyses made by the Company's management in relation to the Proposed Transaction, among other things, and are made in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed, implied by or projected in the forward-looking information or statements. Important factors that could cause actual results to differ from these forward-looking statements are discussed in Risks and Uncertainties.

There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. Except as required by applicable securities laws, the Company does not intend to revise or update these forward-looking statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events.

APPENDIX C

FINANCIAL STATEMENTS OF USCM
FOR THE PERIOD BEGINNING JULY 12, 2021 (FORMATION) AND ENDED JANUARY 31, 2022

US Critical Metals Corp.

Consolidated Financial Statements

For the Period from July 12, 2021 (Date of Incorporation) to January 31, 2022

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
US Critical Metals Corp.

Report on the audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of US Critical Metals Corp. (the Company), which comprise the consolidated statements of financial position as at January 31, 2022, and the consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and consolidated statements of changes in equity for the period from July 12, 2021 (date of incorporation) to January 31, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2022, and its financial performance and its cash flows for the period from July 12, 2021 (date of incorporation) to January 31, 2022, in accordance with International Financial Reporting Standards.

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit ofthe Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to providea basis for our opinion.

Material Uncertainty Relating to Going Concern
We draw your attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a comprehensive loss of $419,011 for the period from July 12, 2021 (date of incorporation) to January 31, 2022. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.Our opinion is not modified in respect of this matter.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon
Management is responsible for the other information. The other information comprises the annual management's discussion and analysis, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the otherinformation and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control asmanagement determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements asa whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's reportthat includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detecta material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment andmaintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, andobtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit proceduresthat are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to eventsor conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in ourauditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidenceobtained up to the date of our auditor's report. However, future events or conditions may cause theCompany to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controlthat we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Pat Kenney.

Clearhouse LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
February 23, 2022

US Critical Metals Corp.

Consolidated Statement of Financial Position
(Expressed in Canadian Dollars)

	As at January 31, 2022
	$
Assets	
Current Assets	
Cash	**11,985**
Receivables (Note 4)	**5,959**
Prepaid expenses	**14,173**
Total Assets	**32,117**
Liabilities	
Current Liabilities	
Accounts payable and accrued liabilities (Note 5)	**205,139**
Total Liabilities	**205,139**
Shareholders' Deficiency	
Share capital (Note 6)	**159,255**
Warrants reserve (Note 8)	**87,331**
Accumulated other comprehensive loss	**(597)**
Accumulated deficit	**(419,011)**
Total Shareholders' Deficiency	**(173,022)**
Total Liabilities and Shareholders' Deficiency	**32,117**

Nature of operations and going concern (Note 1)
Commitments (Note 11)
Contingencies (Note 15)

Approved on behalf of the Board of Directors:

"Darren Collins"
Darren Collins, Director

"Peter Simeon"
Peter Simeon, Director

The accompanying notes are an integral part of these consolidated financial statements

US Critical Metals Corp.

Consolidated Statement of Loss and Comprehensive Loss
For the Period from July 12, 2021 (Date of Incorporation) to January 31, 2022
(Expressed in Canadian Dollars)

	For the Period from Incorporation to January 31, 2022
	$
Expenses	
Exploration and evaluation expenses (Notes 9 and 11)	**229,243**
Professional fees (Notes 9 and 12)	**167,486**
Office and general	**17,451**
Advertising and promotion	**4,831**
Net Loss	**(419,011)**
Other Comprehensive Loss	
Exchange loss on translation of foreign operations	**(597)**
Comprehensive Loss	**(419,608)**
Weighted Average Number of Outstanding Shares – Basic and Diluted (Note 7)	**21,428,671**
Net Loss per Share – Basic and Diluted (Note 7)	**(0.02)**

US Critical Metals Corp.
Consolidated Statement of Changes in Shareholders' Equity
For the Period from July 12, 2021 (Date of Incorporation) to January 31, 2022
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Warrants Reserve	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	#	$	$	$	$	$
Balance, July 12, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Issuance of shares on incorporation (Note 6)	100	1	-	-	-	1
Issuance of units from private placement (Notes 6 and 8)	25,000,000	161,400	88,600	-	-	250,000
Share issuance cost (Notes 6 and 8)	-	(2,146)	(1,269)	-	-	(3,415)
Exchange loss on translation of foreign operations	-	-	-	(597)	-	(597)
Net loss and comprehensive loss for the period	-	-	-	-	(419,011)	(419,011)
Balance, January 31, 2022	**25,000,100**	**159,255**	**87,331**	**(597)**	**(419,011)**	**(173,022)**

The accompanying notes are an integral part of these consolidated financial statements

US Critical Metals Corp.
Consolidated Statement of Cash Flows
For the Period from July 12, 2021 (Date of Incorporation) to January 31, 2022
(Expressed in Canadian Dollars)

	For the Period from Incorporation to January 31, 2022
	$
Operating Activities	
Net loss for the period	(419,011)
Net change in non-cash working capital items:	
Receivables	(5,959)
Prepaid expenses	(14,173)
Accounts payable and accrued liabilities (Note 5)	205,139
Cash Flows (used in) Operating Activities	**(234,004)**
Financing Activities	
Proceeds received on incorporation shares (Note 6)	1
Proceeds from private placement (Note 6)	250,000
Issuance cost paid on private placement (Note 6)	(3,415)
Cash Flows provided by Financing Activities	**246,586**
Increase in cash	**12,582**
Effect of foreign exchange on cash	(597)
Cash, beginning of period	-
Cash, end of period	**11,985**

1. Nature of Operations and Going Concern

US Critical Metals Corp. ("USCM" or the "Company") was incorporated under the laws of the Province of British Columbia, Canada, by Articles of Incorporation, dated July 12, 2021. The Company is focused on mining projects that will secure supply of critical metals in the United States of America (the "United States" or "U.S."). USCM intends to explore and develop critical metals assets with near-and long-term strategic value to the advancement of U.S. interests. The address of the Company's corporate office is 550 Burrard Street, Suite 2300, Vancouver, British Columbia, V6C 2B5, Canada.

USCM's mineral exploration properties are currently in the exploration stage and, as a result, the Company has no source of operating cash flow. The exploration and development of the Company's mineral exploration properties depend on the feasibility of the projects and its ability to obtain financing in the future.

Although the Company has taken steps to verify title to the mineral exploration properties in which it has an interest, these procedures do not guarantee the Company's title. Property title may also be subject to government licensing requirements or regulations, unregistered prior agreements and claims, and non-compliance with regulatory and environmental requirements.

During the period from incorporation on July 12, 2021 to January 31, 2022, the Company incurred a net loss of $419,011 and incurred cash flows used in operations of $234,004, and as at January 31, 2022, the Company had a working capital deficiency of $173,022 and an accumulated deficit of $419,011. The Company's viability depends upon the acquisition and financing of mineral exploration or other projects. If mineral projects are to be successful, additional funds will be required for development and, if warranted, to place them into commercial production. The sources of financing presently available to the Company is through equity financing. The ability of the Company to raise new funds will depend, in part, on prevailing market conditions as well as the operating performance of the Company. These events and conditions represent material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. There can be no assurance that the Company will be successful in securing the necessary financing, if needed, on terms satisfactory to the Company. If additional financing is arranged through the issuance of shares, control of the Company may change, and shareholders may suffer significant dilution.

In assessing whether the going concern assumption was appropriate, management took into account all relevant information available about the future, which was at least, but not limited to, the year ending January 31, 2023. Management carefully manages its cash flows and, as necessary, undertakes efforts to raise additional capital. The Company is party to a proposed transaction (see Note 16) which, if closed, will help management to raise funds to cover operating costs of the Company over the next 12 months with cash on hand. There can be no assurance that such initiatives will be successfully concluded.

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, and do not include adjustments to the carrying values of the assets and liabilities, the reported sales and expenses, and the balance sheet classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The global outbreak of the novel coronavirus ("COVID-19") has had substantial impact on businesses through restrictions imposed by governments worldwide regarding travel, business operations and isolations/quarantine orders. At this time, it is unknown the extent of the impact the continued evolution of COVID-19 may have on the Company, as this will depend on future developments that are highly uncertain. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions and quarantine/isolation measures that are currently, or may be put, in place by Canada, the U.S. and other countries to fight the virus. While the extent of the impact is unknown, the Company anticipates that this outbreak may cause supply chain disruptions, and increased government regulations, all of which may negatively impact the Company's business and financial condition.

2. Basis of Presentation

(a) Statement of Compliance

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies set out below were consistently applied to the period presented unless otherwise noted.

These consolidated financial statements were reviewed, approved, and authorized for issuance by the Board of Directors of the Company (the "Board") on February 23, 2022.

(b) Basis of Measurement

These consolidated financial statements have been prepared in accordance with IFRS, on the historical cost basis, except for financial instruments classified at fair value through profit or loss ("FVTPL") which are stated at fair values. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, US Energy Metals Corp. ("USEM"), which was incorporated in Nevada, U.S. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are-deconsolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions.

(d) Functional Currency

These consolidated financial statements are presented in Canadian dollars ("$" or "CAD"), which is the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates. The functional currency of USEM is the U.S. dollar ("USD").

(e) Significant Accounting Judgments and Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known. Items for which actual results may differ materially from these estimates are described as follows:

Going concern

At each reporting period, management exercises judgment in assessing the Company's ability to continue as a going concern by reviewing the Company's performance, resources and future obligations.

Fair value of financial assets and financial liabilities

Fair value of financial assets and financial liabilities on the consolidated statement of financial position that cannot be derived from active markets, are determined using a variety of techniques including the use of valuation models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include, but are not limited to, consideration of model inputs such as volatility, estimated life and discount rates.

2. Basis of Presentation (continued)

(e) Significant Accounting Judgments and Estimates (continued)

Income taxes

Income taxes and tax exposures recognized in the consolidated financial statements reflect management's best estimate of the outcome based on facts known at the reporting date. When the Company anticipates a future income tax payment based on its estimates, it recognizes a liability. The difference between the expected amount and the final tax outcome has an impact on current and deferred taxes when the Company becomes aware of this difference.

In addition, when the Company incurs losses that cannot be associated with current or past profits, it assesses the probability of taxable profits being available in the future based on its budgeted forecasts. These forecasts are adjusted to take account of certain non-taxable income and expenses and specific rules on the use of unused credits and tax losses.

When the forecasts indicate the sufficient future taxable income will be available to deduct the temporary differences, a deferred tax asset is recognized for all deductible temporary differences.

Warrants

Warrants are initially recognized at fair value, based on the application of the Black-Scholes valuation model ("Black-Scholes"). This pricing model requires management to make various assumptions and estimates which are susceptible to uncertainty, including the expected volatility of the share price, expected forfeitures, expected dividend yield, expected term of the warrants or options, and expected risk-free interest rate.

Provisions

The Company recognizes provisions if there is a present obligation as a result of a past event, it is probable that the Company will be required to settle the obligation and the obligation can be reliably estimated. The amount recognized as a provision reflects management's best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

3. Summary of Significant Accounting Policies

(a) Cash

Cash on the consolidated statement of financial position comprises bank balances held in a Canadian chartered bank, and funds held in trust with the Company's legal counsel which is available on demand.

(b) Financial Instruments

Financial assets and financial liabilities, including derivatives, are recognized on the consolidated statement of financial position when the Company becomes a party to the financial instrument or derivative contract.

Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories: (a) those to be measured subsequently at FVTPL; (b) those to be measured subsequently at fair value through other comprehensive income ("FVTOCI"); and (c) those to be measured at amortized cost. The classification of financial assets depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial liabilities are classified as those to be measured at amortized cost unless they are designated as those to be measured subsequently at FVTPL (irrevocable election at the time of recognition). For assets and liabilities measured at fair value, gains and losses are recorded in the consolidated statement of loss and comprehensive loss.

The Company reclassifies financial assets when its business model for managing those assets changes. Financial liabilities are not reclassified.

3. Summary of Significant Accounting Policies (continued)

(b) Financial Instruments (continued)

Classification (continued)

Fair value through profit or loss

This category includes derivative instruments as well as quoted equity instruments which the Company has not irrevocably elected, at initial recognition or transition, to classify at FVTOCI. This category would also include debt instruments whose cash flow characteristics fail the solely principal and interest ("SPPI") criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Financial assets in this category are recorded at fair value with changes recognized in the consolidated statement of loss and comprehensive loss.

Financial assets at fair value through other comprehensive income

Equity instruments that are not held-for-trading can be irrevocably designated to have their change in FVTOCI instead of through profit or loss. This election can be made on individual instruments and is not required to be made for the entire class of instruments. Attributable transaction costs are included in the carrying value of the instruments. Financial assets at FVTOCI are initially measured at fair value and changes therein are recognized in other comprehensive income (loss).

Amortized cost

This category includes financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. Financial asset classified in this category are measured at amortized cost using the effective interest method. The Company's classification of financial assets and financial liabilities under IFRS 9 – Financial Instruments ("IFRS 9") are summarized below:

Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Measurement

All financial instruments are required to be measured at fair value on initial recognition, plus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Financial assets and financial liabilities with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are on the principal outstanding are generally measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any changes taken through profit and loss or other comprehensive income (loss) (irrevocable election at the time of recognition). For financial liabilities measured subsequently at FVTPL, changes in fair value due to credit risk are recorded in other comprehensive income (loss).

Expected credit loss impairment model

IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts.

3. Summary of Significant Accounting Policies (continued)

(b) Financial Instruments (continued)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statement of loss and comprehensive loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of loss and comprehensive loss.

Fair value hierarchy

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at January 31, 2022, the Company did not have any financial instruments measured at fair value.

(c) Exploration and Evaluation Expenditures

Pre-exploration costs are expensed in the period in which they are incurred. Once the legal right to explore a mineral property has been acquired, the Company expenses exploration and evaluation (“E&E”) expenditures as incurred. These expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on property, plant and equipment, if any, during the exploration phase. Costs not directly attributable to E&E activities, including general administrative overhead costs, are expensed in the period in which they occur.

Acquisition costs of mineral property rights, property option payments related to E&E activities are also expensed as incurred.

Once a project has been established as commercially viable, technically feasible and the decision to proceed with development has been approved by the Board, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset.

(d) Restoration, Rehabilitation and Environmental Obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by development or production. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through an amortization method as appropriate.

3. Summary of Significant Accounting Policies (continued)

(d) Restoration, Rehabilitation and Environmental Obligations (continued)

The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage that is created on an ongoing basis during production are provided for at their net present values and charged against profits.

As at January 31, 2022, the Company had no material restoration, rehabilitation and environmental costs.

(e) Provisions

Provisions are recorded when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

As at January 31, 2022, the Company had no material provisions.

(f) Income Taxes

Income tax comprises current and deferred income tax expense. Current and deferred taxes are recognized in net loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income (loss).

Current income taxes

Current income taxes are recognized and measured at the amount expected to be recovered from, or payable to, the taxation authorities based on the income tax rates enacted or substantively enacted at the end of the reporting period and includes any adjustment to taxes payable in respect of previous years.

Deferred income taxes

Deferred income taxes are recorded for temporary differences at the date of the consolidated statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of a deferred income tax asset is reviewed at the end of the reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Unrecognized deferred income tax assets are reassessed at the end of the reporting period and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, they relate to income taxes levied by the same taxation authority and the Company has the legal rights and intent to offset.

(g) Equity

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company’s common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

3. Summary of Significant Accounting Policies (continued)

(g) Equity (continued)

In situations where the Company issues units, the value of units is bifurcated and the value of warrants is included as a separate reserve of the Company's equity, using the residual method, where the difference between the unit subscription price and the Company's closing share price on the date of closing of the private placement, is allocated to warrants reserve. In cases where there is no difference between the unit subscription price and the closing share price, the entire amount is allocated to share capital.

On expiry, the fair value of the warrants is transferred to retained earnings (deficit).

(h) Loss Per Share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, in the weighted average number of common shares outstanding during the period, if dilutive. The "treasury stock method" is used for the assumed proceeds upon the exercise of the options and warrants that are used to purchase common shares at the average market price during the period.

(i) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(j) Foreign Currency Translation

Monetary assets and liabilities denominated in currencies other than CAD are translated into CAD at the rate of exchange in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities are translated at the historical rates. Revenues and expenses are translated at the transaction exchange rate. Foreign currency gains or losses resulting from translation are reflected in net comprehensive income (loss) for the period.

The assets and liabilities of entities with a functional currency that differs from the presentation currency are translated to the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the financial period;
- Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the rate on the dates of the transactions);
- Equity transactions are translated using the exchange rate at the date of the transaction; and
- All resulting exchange differences are recognized as a separate component of equity as reserve for foreign exchange.

When a foreign operation is disposed of, the relevant amount in the reserve for foreign exchange in other comprehensive income (loss) is transferred to profit or loss as part of the profit or loss on disposal.

On the partial disposal of a subsidiary that includes a foreign operation, the relevant proportion of such cumulative amount is reattributed to non-controlling interest. In any other partial disposal of a foreign operation, the relevant proportion is reclassified to profit or loss.

Foreign exchange gains or losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future, and which in substance, is considered to form part of the net investment in the foreign operation, are recognized in the reserve for foreign exchange.

3. Summary of Significant Accounting Policies (continued)

(k) Recent Accounting Pronouncements

As at the date of authorization of these consolidated financial statements, the IASB and the IFRIC had issued certain pronouncements that are mandatory for the Company's accounting periods commencing on or after February 1, 2022. Many are not applicable or do not have a significant impact to the Company, have been excluded. The Company had assessed that no material impact is expected upon the adoption of the following amendments on its consolidated financial statements:

Amendments to IAS 1 – Presentation of Financial Statements ("IAS 1")

In January 2020, the IASB issued amendments to IAS 1 which clarify the requirements for classifying liabilities as either current or non-current by: (i) specifying that the conditions which exist at the end of the reporting period determine if a right to defer settlement of a liability exists; (ii) clarifying that settlement of a liability refers to the transfer to the counterparty of cash, equity instruments, other assets or services; (iii) clarifying that classification is unaffected by management's expectation about events after the balance sheet date; and (iv) clarifying the classification requirements for debt an entity may settle by converting it into equity.

The amendments clarify existing requirements, rather than make changes to the requirements, and so are not expected to have a significant impact on an entity's financial statements. However, the clarifications may result in reclassification of some liabilities from current to non-current or vice-versa, which could impact an entity's loan covenants. Because of this impact, the IASB has provided a longer effective date to allow entities to prepare for these amendments. In July 2020, the IASB issued an amendment to defer the effective date of the amendments by one year from its originally planned effective date to annual periods beginning on or after January 1, 2023 due to the impact of COVID-19. Early application is permitted.

Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37")

In May 2020, the IASB issued amendments to update IAS 37. The amendments specify that in assessing whether a contract is onerous under IAS 37, the cost of fulfilling a contract includes both the incremental costs and an allocation of costs that relate directly to contract activities. The amendments also include examples of costs that do, and do not, relate directly to a contract. These amendments are effective for annual periods beginning on or after January 1, 2022. Earlier application is permitted.

Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

In February 2021, the IASB issued *Definition of Accounting Estimates*, which amended IAS 8. The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The amendments to IAS 8 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted.

4. Receivables

The Company's receivables balance represents amounts due from government taxation authorities in respect of the Goods and Services Tax/Harmonized Sales Tax. The Company anticipates full recovery of these amounts and therefore no credit loss has been recorded against these receivables, which are due in less than one year.

(Expressed in Canadian Dollars)

5. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for trade purchases incurred in the normal course of business.

	January 31, 2022
	$
Trade payable	**161,609**
Accrued liabilities	**43,530**
	205,139

The Company's standard term for trade payable is 30 to 60 days.

6. Share Capital

Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

Common shares issued and outstanding as at January 31, 2022 are as follows:

	Number of common shares	**Amount**
	#	**$**
Balance, July 12, 2021	**-**	**-**
Shares issued on incorporation	100	1
Shares issued from private placement	25,000,000	161,400
Share issuance cost	-	(2,146)
Balance, January 31, 2022	**25,000,100**	**159,255**

Share capital transactions for the period from incorporation to January 31, 2022

On July 12, 2021, the Company issued 100 common shares to its founder, for consideration of $1.

On August 10, 2021, the Company closed a non-brokered private placement (the "Private Placement") of 25,000,000 units ("Units") at a price of $0.01 per Unit, for gross proceeds of $250,000. Each Unit is comprised of one common share of the Company and one warrant exercisable at $0.10 for a period of five years from closing. In connection with the Private Placement, the Company paid issuance cost of $3,415, of which $2,146 was allocated to share capital.

7. Loss per Share

Basic and diluted loss per share is calculated by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. For the period from incorporation on July 12, 2021 to January 31, 2022, the basic and diluted loss per share was $0.02.

8. Warrants Reserve

The following summarizes the warrants activity for the period from incorporation to January 31, 2022:

	Number of warrants	**Weighted average exercise price**
	#	**$**
Balance, July 12, 2021	**-**	**-**
Issued from private placement (Note 6)	25,000,000	0.10
Balance, January 31, 2022	**25,000,000**	**0.10**

(Expressed in Canadian Dollars)

8. Warrants Reserve (continued)

Warrant issuance for the period from incorporation to January 31, 2022

In connection with the Private Placement which closed on August 10, 2021, the Company issued 25,000,000 warrants at an exercise price of $0.10 per share for a period of five years from the closing date. The grant date fair value of the warrants issued was estimated to be $88,600 using Black-Scholes with the following assumptions: expected volatility of 125% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 0.82% and an expected life of five years. On closing, issuance cost of $1,269 was allocated to warrants reserve.

The following table summarizes information of warrants outstanding as at January 31, 2022:

Date of expiry	Number of warrants outstanding	Exercise price	Weighted average remaining life
	#	$	Years
August 10, 2026	25,000,000	0.10	4.53
	25,000,000	**0.10**	**4.53**

9. Related Party Transactions

Key management personnel compensation

Key management includes the Company's directors and officers with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

The remuneration of directors and other members of key management personnel during the period from incorporation on July 12, 2021 to January 31, 2022 were as follows:

	For the Period from Incorporation to January 31, 2022
	$
Professional fees	**127,085**
	127,085

During the period from incorporation on July 12, 2021 to January 31, 2022, Gowling WLG ("Gowling"), a law firm in which a director of the Company is a partner, charged fees of $102,698 for legal services provided to the Company, which are included in professional fees. As at January 31, 2022, $96,645 owing to Gowling was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

During the period from incorporation on July 12, 2021 to January 31, 2022, Branson Corporate Services Ltd. ("Branson"), where the Company's Chief Financial Officer ("CFO") is employed, charged fees of $24,387 for CFO services provided to the Company, as well as other accounting and administrative services, which are included in professional fees. As at January 31, 2022, $14,196 owing to Branson was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

As at January 31, 2022, an aggregate amount of $1,089 owing to the Company's Chief Executive Officer ("CEO"), for the reimbursement of expenses paid on behalf of the Company, was included in accounts payables and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

Other related party transactions

During the period from incorporation on July 12, 2021 to January 31, 2022, the CEO of the Company participated in the Private Placement described in Note 6, and subscribed for 5,000,000 Units, for total gross proceeds to the Company of $50,000.

(Expressed in Canadian Dollars)

9. Related Party Transactions (continued)

Other related party transactions (continued)

During the period from incorporation on July 12, 2021 to January 31, 2022, Tigren Inc. ("Tigren"), an entity controlled by a director of the Company, charged fees of $45,078 for geological consulting services provided to the Company, which are included in E&E expenses. As at January 31, 2022, $35,530 owing to Tigren was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

10. Income Taxes

Provision for income taxes

The Company's provision for income taxes differs from the amounts computed by applying the basic current rate of 27.0% for British Columbia to the loss for the period before income taxes as shown in the following table:

	January 31, 2022
	$
Loss before income taxes	(419,011)
Expected income tax recovery based on statutory rate	(113,133)
Adjustment to expected income tax recovery	
Non-deductible expenses	109
Share issuance costs	(116)
Share issuance costs reported in equity	(464)
Change in unrecorded deferred tax asset	113,604
Income tax expense (recovery)	-

Deferred income tax

Deferred taxes are a result of temporary differences that arise due to the differences between the income tax values and the carrying values of assets and liabilities.

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	January 31, 2022
	$
Mineral property interest	61,896
Non-capital losses carried forward	51,244
Share issuance costs	464
Deferred tax asset (liability)	133,604
Less: Deferred tax asset not recognized	(133,604)
Deferred tax asset (liability)	-

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

As at January 31, 2022, the Company also had total non-capital losses of $189,794 which can be carried forward.

11. Exploration and Evaluation Expenses

Haynes Cobalt Project

On September 24, 2021, the Company, through its subsidiary, entered into an option agreement (the "Option Agreement") with certain arm's length parties (collectively the "Vendors"), for the exclusive right and option to acquire a 100% interest in the Haynes Cobalt Project, which consists of 23 lode claims covering approximately 475.18 acres, located in Idaho, U.S. (the "Idaho Property").

Pursuant to the Option Agreement, the Company would acquire a 100% interest in the Idaho Property by paying a total of $100,000 and issue an aggregate of 2.5 million shares to the Vendors as follows:

- Issuance of 2,500,000 common shares ("USCM Shares") to the underlying Vendors upon closing of a go-public transaction which will result in the USCM Shares being listed on a recognized stock exchange in Canada (the "Canadian Exchange"), subject to the same escrow as principles of the Resulting Issuer or as otherwise determined by the TSX Venture Exchange ("TSXV");
- Payment of $50,000 in cash to the underlying Vendors upon the listing of the USCM Shares on a recognized Canadian Exchange; and
- Payment of $50,000 in cash to the underlying Vendors on the one-year anniversary of listing of the USCM Shares on a recognized Canadian Exchange.

In addition to the forgoing, the Company 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 National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") technical report ("Technical Report").

The underlying Vendors will also maintain a 3% net smelter return royalty ("NSR") on production, subject to a buy-back provision whereby USCM can purchase back 1.5% of the NSR from the underlying vendor in exchange for $1.5 million.

Clayton Ridge Lithium Property

On October 11, 2021, the Company, through its subsidiary, entered into a Mining Lease and Option to Purchase Agreement CR Claims (the "Mining Lease and Option Agreement") with an arm's length party, to lease a block of 90 claims (1,800 acres) in the Clayton Ridge Lithium Property (the "Nevada Property"), situated in Esmeralda County, Nevada, exclusively for the purpose of exploration for and the development, mining and processing of minerals.

Pursuant to the Mining Lease and Option Agreement, the Company may acquire a 100% interest in the Nevada Property by paying a total of USD $225,000 and issuing 2.5 million USCM Shares to the vendor as follows:

- Payment of USD $25,000 in cash upon signing (the "Signing Date") of the Agreement (completed);
- Payment of USD $75,000 in cash and issuance of 500,000 USCM Shares on the first anniversary of the Signing Date;
- Payment of USD $75,000 in cash and issuance of 500,000 USCM Shares on the second anniversary of the Signing Date;
- Payment of USD $50,000 in cash and issuance of 500,000 USCM Shares upon listing of USCM on a recognized Canadian Exchange; and
- Issuance of 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 vendor will also maintain a 3% gross overriding return ("GOR") on production, subject to a buyback provision whereby USCM can purchase back 1% of the GOR from the underlying vendor in exchange for USD $1.0 million.

During the period from incorporation on July 12, 2021 to January 31, 2022, the Company had also reimbursed USD $24,492 ($30,779) of expenses relating to (i) the federal annual mining claim maintenance fees for the annual assessment year ending September 1, 2021 and (ii) the mining claim processing fees, location fees, and federal annual mining claim maintenance fees and the county recording fees for the unpatented mining claims.

(Expressed in Canadian Dollars)

11. Exploration and Evaluation Expenses (continued)

During the period from incorporation on July 12, 2021 to January 31, 2022, the Company's E&E expenses are comprised of the following:

	Idaho Property	Nevada Property	Total
	$	$	**$**
Property acquisition costs	-	31,533	**31,533**
Claims maintenance fees	7,704	59,718	**67,422**
Technical studies	22,005	15,793	**37,798**
Field work testing	92,032	458	**92,490**
	121,741	**107,502**	**229,243**

12. Professional Fees

During the period from incorporation on July 12, 2021 to January 31, 2022, the Company's professional fees are comprised of the following:

	Total
	$
Legal expenses	**121,889**
Audit and accounting fees	**43,597**
Business consulting fees	**2,000**
	167,486

13. Capital Management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the development of its planned business activities. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. In order to carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company considers its capital to be shareholders' equity, which is comprised of share capital, warrants reserve, accumulated other comprehensive loss and accumulated deficit. As at January 31, 2022, the Company's capital consisted of a deficit balance of $173,022.

The Company's objective when managing capital is to obtain adequate levels of funding to support its business activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the development of its business. The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising capital in this manner.

The Company is not subject to externally imposed capital requirements.

14. Financial Instruments

The Company is exposed to various risks as it relates to financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring and approving the Company's risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

(Expressed in Canadian Dollars)

14. Financial Instruments (continued)

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and receivables (excluding sales tax receivable), which expose the Company to credit risk should the borrower default on maturity of the instruments. Cash is currently held in trust with the Company's legal counsel which is available on demand. Management believes that the credit risk concentration with respect to financial instruments included in cash and receivables is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company endeavors to have sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably predicted. As at January 31, 2022, the Company had a cash balance of $11,985, to settle current liabilities of $205,139.

The following table summarizes the carrying amount and the contractual maturities of both the interest and principal portion of significant financial liabilities as at January 31, 2022:

	Carrying amount	Year 1	Year 2 to 3	Year 4 to 5
	$	$	$	$
Accounts payable and accrued liabilities	205,139	205,139	-	-

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows for a rolling period of 12 months to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations.

Management is currently working on plans to raise funds in the near future, and believes there will be sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash position as at January 31, 2022. Nevertheless, management understands that it will have to raise more funds in order to support its operations going forward.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices.

Foreign exchange risk

Foreign exchange risk is the risk that the Company will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Company's operations are based in the U.S., and may have, from time to time, transactions denominated in foreign currencies. The Company's primary exposure to foreign exchange risk is that transactions denominated in foreign currency may expose the Company to the risk of exchange rate fluctuations. Based on its current operations, management believes that the foreign exchange risk is minimal.

Fair value

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

14. Financial Instruments (continued)

Fair value (continued)

The Company's financial instruments consist of cash, receivables (excluding sales tax recoverable), and accounts payable and accrued liabilities. The fair value of cash, receivables (excluding sales tax recoverable), and accounts payables and accrued liabilities are approximately equal to their carrying value due to their short-term nature.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at January 31, 2022, the Company did not have any financial instruments which were carried at fair value.

15. Contingencies

The Company's E&E activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. As at January 31, 2022, the Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make future expenditures to comply with such laws and regulations.

16. Proposed Transaction

On October 22, 2021, the Company entered into a binding letter of intent with Holly Street Capital Ltd. ("Holly Street" or the "Resulting Issuer"), a capital pool company under Exchange Policy 2.4 of the TSXV, in respect of a proposed business combination transaction pursuant to which Holly Street 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 (the "Qualifying Transaction") of Holly Street in accordance with Policy 2.4 - Capital Pool Companies of the Corporate Finance Manual of the TSXV.

On January 7, 2022, USCM and Holly Street entered into a definitive agreement (the "Business Combination Agreement"). Pursuant to the terms and conditions of Business Combination Agreement, upon satisfaction or waiver of the conditions precedent, the Qualifying Transaction will be affected among Holly Street, USCM and the USCM Securityholders. Pursuant to the Business Combination Agreement, holders of issued and outstanding USCM Shares will receive one Post-Consolidation Holly Share (as defined below) for each USCM Share held (the "Exchange Ratio"). Pursuant to the Business Combination Agreement, all existing securities convertible into USCM Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase Post-Consolidation Holly Shares on substantially similar terms and conditions.

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

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 Street or USCM; the parties obtaining all necessary consents, orders, regulatory and shareholder approvals, including the conditional approval of the TSXV; completion of the Consolidation, the 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.

APPENDIX D

MANAGEMENT'S DISCUSSION AND ANALYSIS OF USCM
FOR THE PERIOD BEGINNING JULY 12, 2021 (FORMATION) AND ENDED JANUARY 31, 2022

US Critical Metals Corp.

Management's Discussion and Analysis

For the Period from July 12, 2021 (Date of Incorporation) to January 31, 2022

(Expressed in Canadian Dollars)

This Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of US Critical Metals Corp. ("USCM", "we", or the "Company"), is for the period from July 12, 2021 (Date of Incorporation) to January 31, 2022. It is supplemental to and should be read in conjunction with the audited consolidated financial statements and related notes of USCM for the period from incorporation to January 31, 2022. The Company's consolidated financial statements and the financial information contained in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and the IFRS Interpretations Committee. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. In preparing this MD&A, management has taken into account all information available up to February 23, 2022.

This MD&A has been prepared with reference to the MD&A disclosure requirements of National Instrument 51-102 – Continuous Disclosure Obligations of the Canadian Securities Administrators. Unless otherwise indicated, all figures presented in this MD&A are expressed in Canadian Dollars ("$" or "CAD").

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws ("forward-looking statements"). All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often identified by words such as "may", "would", "could", "should", "will", "intend", "plan", "seek", anticipate", "believe", "estimate", "expect" or similar words and expressions. Examples of forward-looking statements include, among others, statements relating to information set out in this MD&A under the headings "Business Outlook and Strategy", "Working Capital and Liquidity Outlook", and statements and information regarding: the effects of the novel coronavirus ("COVID-19") on the Company's operations and financial condition; future financial position and results of operations, strategies, plans, objectives, goals and targets; future developments in the markets where the Company participates or is seeking to participate; and, expectations for other economic, business, regulatory and/or competitive factors related to the Company or the mining exploration industry generally and other events or conditions that may occur in the future. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on management's current beliefs, expectations or assumptions regarding the future of the business, future plans and strategies, operational results and other future conditions of the Company. Although the Company believes that the expectations, estimates, and projections reflected in such forward-looking statements are reasonable, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance, or achievements to differ materially from those suggested by the forward-looking statements. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. On this basis, readers are cautioned not to place undue reliance on such forward-looking statements.

Factors which could cause actual results to differ materially from those indicated in forward-looking statements include, but are not limited to: the expectations and assumptions that the Company's strategies are based on; the impact of COVID-19 will have to the Company's strategies and operations; the Company's ability to manage the disruptions and volatility in the global capital markets due to COVID-19; and the Company's ability to meet its working capital needs, including the cost and potential impact of complying with existing and proposed laws and regulations; as well as those other risks and uncertainties described in this MD&A under the heading "Risk Factors".

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this MD&A are made as of the date hereof and are presented for the purpose of assisting investors and others in understanding USCM's financial position and results of operations, as well as its objectives and strategic priorities, and may not be appropriate for other purposes. The Company undertakes no obligation to publicly update or revise any forward-looking statements or any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

The Company is a mineral exploration company, and its mineral resource properties are in the exploration stage only. The degree of risk increases substantially where an issuer's mineral resource properties are in the mineral exploration stage as opposed to the development or operational stage. An investment in common shares of mineral exploration companies is speculative and involves a high degree of risk and should only be made by investors who can afford the total loss of their investment. Prospective investors should consider the risk factors in connection with an investment in the Company as set out under the heading "Risk Factors".

Company Overview

USCM was incorporated under the laws of the Province of British Columbia, Canada, by Articles of Incorporation, dated July 12, 2021. The Company is focused on mining projects that will secure supply of critical metals in the United States of America (the "United States" or "U.S."). USCM intends to explore and develop critical metals assets with near-and long-term strategic value to the advancement of U.S. interests. The address of the Company's corporate office is 550 Burrard Street, Suite 2300, Vancouver, British Columbia, V6C 2B5, Canada.

Scientific and Technical Information

Certain information relating to the Properties (defined hereafter) contained in this MD&A is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the Technical Report (as defined herein). Reference should be made to the full text of the Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

Business Outlook and Strategy

The Company was formed to engage in the business of acquiring, exploring and evaluating mineral resource properties. Pursuant to option agreements with private Canadian and American companies, the Company's assets consist of two option agreements, each providing the Company with the right to acquire a 100% interest in two mineral exploration projects in the U.S. The exploration projects include (i) the Haynes Cobalt Property, consisting of 23 lode claims, located in Idaho, and (ii) the Clayton Ridge Lithium Property, consisting of 90 unpatented mining claims, located in Nevada. The Company's business objectives are to explore these properties and to eventually create a diversified portfolio of property holdings and achieve growth through the acquisition of mineral properties, coupled with the implementation of recommended programs with respect to the exploration of such properties. To date, the Company has concentrated on the identification and acquisition of properties prospective for critical metals including lithium and cobalt in the U.S.

Haynes Cobalt Project

On September 24, 2021, the Company, through a wholly owned subsidiary, entered into an option agreement (the "Option Agreement") with certain arm's length parties (collectively the "Vendors"), for the exclusive right and option to acquire a 100% interest in the Haynes Cobalt Project (also referred to as the "Idaho Property" hereafter), which covers approximately 475.18 acres, located in Idaho, U.S.

Pursuant to the Option Agreement, the Company would acquire a 100% interest in the Idaho Property by paying a total of $100,000 and issue an aggregate of 2.5 million shares to the Vendors as follows:

- Issuance of 2,500,000 common shares ("USCM Shares") to the underlying Vendors upon closing of a go-public transaction which will result in the USCM Shares being listed on a recognized stock exchange in Canada (the "Canadian Exchange"), subject to the same escrow as principles of the Resulting Issuer or as otherwise determined by the TSX Venture Exchange ("TSXV");
- Payment of $50,000 in cash to the underlying Vendors upon the listing of the USCM Shares on a recognized Canadian Exchange; and
- Payment of $50,000 in cash to the underlying Vendors on the one-year anniversary of listing of the USCM Shares on a recognized Canadian Exchange.

In addition to the forgoing, the Company 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 a National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") technical report ("Technical Report").

The underlying Vendors will also maintain a 3% net smelter return royalty ("NSR") on production, subject to a buy-back provision whereby USCM can purchase back 1.5% of the NSR from the underlying vendor in exchange for $1.5 million.

The Company has optioned the Haynes Cobalt Property from its owners and is the current operator. Upon completion of the acquisition of the Haynes Cobalt Property, if completed, the Haynes Cobalt Property would form the main asset of the Company. Certain information described below has been derived or reproduced from the Technical Report prepared in respect of the Haynes Cobalt Property by Janine Brown, B.Sc., P.Geo. of Dahrouge Geological Consulting Ltd. and is included herein with the consent of the preparer. Janine Brown, B.Sc., P.Geo. is a qualified person, who is independent of the Company, within the meaning of NI 43-101.

The Idaho Property is located in the Idaho Cobalt Belt ("ICB") in Lemhi County, Idaho, and next to the historical Blackbird mining camp, where a cluster of cobalt-copper-gold deposits were developed and mined between 1902 and 1968. The Idaho Property benefits from being close to infrastructure and is accessible by forestry roads and is less than one kilometer ("km") from powerlines. The ICB region is once again seeing significant exploration and development in the Blackbird mining camp.

The Idaho Property covers a portion of the historically developed Haynes Stellite Deposit within the historical Blackbird mining camp, where three adit entrances were developed by Haynes Stellite Co, between 1917 and 1920. The adits are located at the northwestern end of the Idaho Property, neighboring with Jervois Global Limited. The Idaho Property also contains a portion of the associated historical underground workings from historical development. Exploration by Noranda Exploration Inc. in 1979 to 1981 further developed the Idaho Property near the historical adits.

Between October 8 to 26 of 2021, a ground magnetic survey and soil and rock sampling were completed on the project. In total, 118 soil samples were collected, and 76 rock samples were collected, and the magnetic survey covered the entire project. The analytical work is on-going at the laboratory, so not all of the costs have been incurred, but so far the cost of the field work totals $99,903.

A 43-101 compliant survey is being prepared for the Haynes Cobalt Property, which will summarize all of the field work when the results are finalized.

Clayton Ridge Lithium Property

On October 11, 2021, the Company, through a wholly owned subsidiary, entered into a Mining Lease and Option to Purchase Agreement CR Claims (the "Mining Lease and Option Agreement") to lease the Clayton Ridge Lithium Property (the also referred to as the "Nevada Property" hereafter), situated in Esmeralda County, Nevada, exclusively for the purpose of exploration for and the development, mining and processing of minerals.

Pursuant to the Mining Lease and Option Agreement, the Company may acquire a 100% interest in the Nevada Property by paying a total of USD $225,000 and issuing 2.5 million USCM Shares to the vendor as follows:

- Payment of USD $25,000 in cash upon signing (the "Signing Date") of the Agreement (completed);
- Payment of USD $75,000 in cash and issuance of 500,000 USCM Shares on the first anniversary of the Signing Date;
- Payment of USD $75,000 in cash and issuance of 500,000 USCM Shares on the second anniversary of the Signing Date;
- Payment of USD $50,000 in cash and issuance of 500,000 USCM Shares upon listing of USCM on a recognized Canadian Exchange; and
- Issuance of 1,000,000 USCM Shares upon completion of a Technical Report which confirms the presence on the Nevada Property of 2,000,000 tons of lithium carbonate equivalent.

The vendor will also maintain a 3% gross overriding return ("GOR") on production, subject to a buyback provision whereby USCM can purchase back 1% of the GOR from the underlying vendor in exchange for USD $1.0 million.

The Company will also consider additional acquisitions of mineral property interests, or entities holding mineral property interests, on a going forward basis, with the objectives of: (i) creating additional value for shareholders through the acquisition of additional mineral exploration properties; and (ii) helping to minimize exploration risk by attempting to diversify the Company's property portfolio. The Company believes that although the current exploration prospects for the Idaho Property and Nevada Property are positive, mineral exploration in general is both uncertain and subject to fluctuating commodity prices resulting from changing trends in supply and demand. As a result, the Company believes that by acquiring additional mineral properties, some of which may be prospective in other commodities, it would be better able to minimize overall exploration risk and risks associated with fluctuating commodity prices.

The Company has entered into an agreement to acquire a 100% interest in a contiguous block of 90 claims (1,800 acres) covering an extensive exposure of Li-bearing claystone and the down-dip extension of the targeted unit. USCM has contracted Robert Johansing, M.Sc., QP to prepare a Technical Report, who is independent of the Company, within the design and definitions of NI 43-101. At at the date of this MD&A, the 90 claims had been staked by the Company.

The Nevada Property is located in Esmeralda County, southern Nevada about 50 kilometers ("km") southwest on Tonopah, NV and 15 km southeast of Albemarle's lithium brine processing facility at Silver Peak. Access to the property is good form both Goldfield (20 km east) and Silver Peak (15 km west). Seventy reconnaissance-type surface samples have been collected across the property with 45% exceeding 500 ppm Li from a shallow dipping, broad stratigraphic interval. Multiple claystone beds contain greater than 700 ppm Li with a maximum Li value to date of 950 ppm.

The geologic setting is similar to Cypress Development's Clayton Valley Li-bearing claystone several kilometers to the northwest. The Li-bearing sediments are likely within the same stratigraphic package but are separated by a north-trending Basin and Range fault with Clayton Ridge on the elevated block. Detailed geologic mapping has not been conducted across the property nor have enough samples been collected to identify the Li-rich intervals in this Upper Miocene sequence. Aside from the clear similarities to the surrounding Li-claystone projects, the Clayton Ridge project hosts suspected hydrothermal activity (i.e. hot springs) which could mobilize and concentrate Li values.

Overall Performance

Results of operations

As USCM is in the exploration stage of operations, the Company had not generated any revenues to date. During the period from incorporation on July 12, 2021 to January 31, 2022, the Company had incurred total operating expenses of $419,011 as follows:

Expenses	
	$
Exploration and evaluation expenses	**229,243**
Professional fees	**167,486**
Office and general	**17,451**
Advertising and promotion	**4,831**
	419,011

Exploration and evaluation ("E&E") expenses comprised of (i) property acquisition cost of $31,533 in the form of option payments, (ii) claims maintenance fees of $67,422, (iii) cost related to technical studies cost of $37,798, and (iv) cost incurred so far on exploration field work of $92,490.

Professional fees comprised primarily of cost of service received from various counsel and consultants, including legal expenses of $121,889, audit and accounting fees of $43,597 and business consulting fees of $2,000. These expenses are directly correlated to the scope of activities and/or transactions undertaken by the Company.

Other expenses incurred include office and general expenses of $17,451, covering general expenses incurred over the normal course of operations. In addition, advertising and promotion expense of $4,831 had also been incurred for the design of the corporate website and logo, which are in the work.

As a result of the above, the Company incurred a net loss of $419,011 ($0.02 per share – basic and diluted) during the period from incorporation on July 12, 2021 to January 31, 2022.

Cash flows

During the period from incorporation on July 12, 2021 to January 31, 2022, net cash used in the Company's operating activities totaled $234,004. The net spending relates primarily to professional fees and E&E expenditures incurred, including advances made technical studies required on the Idaho and Nevada Properties.

In terms of financing activities, the Company received gross proceeds of $250,000 through issuance of 25 million units ("Units") from a non-brokered private placement (the "Private Placement") which closed in August 2021. Each Unit is comprised of one common share of the Company and one warrant exercisable at $0.10 for a period of five years from closing. In connection with the Private Placement, the Company paid issuance cost of $3,415.

Working Capital and Liquidity Outlook

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the development of its planned business activities. The Board of Directors of the Company (the "Board") does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. To carry out the planned business activities and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

Based on the Company's current operations, it has not generated any cash flows from operations. The primary source of funding has been through the issuance of common shares for cash proceeds. There is no guarantee that the Company will be able to successfully complete such financings, as market conditions and business performance may dictate availability and interest.

As at January 31, 2022, the Company had current assets of $32,117 to settle current liabilities of $205,139, for a working capital deficiency of $173,022. As of the date of the MD&A, the Company believes that it will have sufficient liquidity to continue operations for the 12-month period ending January 31, 2023.

Related Party Transactions

Key management personnel compensation

Key management includes the Company's directors and officers with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

The remuneration of directors and other members of key management personnel during the period from incorporation on July 12, 2021 to January 31, 2022 were as follows:

	For the Period from Incorporation to January 31, 2022
	$
Professional fees	**127,085**
	127,085

During the period from incorporation on July 12, 2021 to January 31, 2022, Gowling WLG ("Gowling"), a law firm in which Peter Simeon, a director of the Company, is a partner, charged fees of $102,698 for legal services provided to the Company, which are included in professional fees. As at January 31, 2022, $96,645 owing to Gowling was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

During the period from incorporation on July 12, 2021 to January 31, 2022, Branson Corporate Services Ltd. ("Branson"), where Keith Li, the Company's Chief Financial Officer ("CFO") is employed, charged fees of $24,387 for CFO services provided to the Company, as well as other accounting and administrative services, which are included in professional fees. As at January 31, 2022, $14,196 owing to Branson was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

As at January 31, 2022, an aggregate amount of $1,089 owing to Darren Collins, the Company's Chief Executive Officer ("CEO"), for the reimbursement of expenses paid on behalf of the Company, was included in accounts payables and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

Other related party transactions

During the period from incorporation on July 12, 2021 to January 31, 2022, the CEO of the Company participated in the Private Placement, and subscribed for 5,000,000 Units, for total gross proceeds to the Company of $50,000.

During the period from incorporation on July 12, 2021 to January 31, 2022, Tigren Inc. ("Tigren"), an entity controlled by Marco Montecinos, a director of the Company, charged fees of $45,078 for geological consulting services provided to the Company, which are included in E&E expenses. As at January 31, 2022, $35,530 owing to Tigren was included in accounts payable and accrued liabilities. The amount outstanding is unsecured, non-interest bearing and due on demand.

Exploration and Evaluation Expenses

During the period from incorporation on July 12, 2021 to January 31, 2022, the Company's E&E expenses are comprised of the following:

	Idaho Property	Nevada Property	Total
	$	$	**$**
Property acquisition costs	-	31,533	**31,533**
Claims maintenance fees	7,704	59,718	**67,422**
Technical studies	22,005	15,793	**37,798**
Field work testing	92,032	458	**92,490**
	121,741	**107,502**	**229,243**

Financial Instruments

The Company is exposed to various risks as it relates to financial instruments. Management, in conjunction with the Board, mitigates these risks by assessing, monitoring and approving the Company's risk management process. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash, and receivables (excluding sales tax receivable), which expose the Company to credit risk should the borrower default on maturity of the instruments. Cash is currently held in trust with the Company's legal counsel which is available on demand. Management believes that the credit risk concentration with respect to financial instruments included in cash and receivables is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. The Company endeavors to have sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot be reasonably predicted. As at January 31, 2022, the Company had a cash balance of $11,985, to settle current liabilities of $205,139.

The following table summarizes the carrying amount and the contractual maturities of both the interest and principal portion of significant financial liabilities as at January 31, 2022:

	Carrying amount	Year 1	Year 2 to 3	Year 4 to 5
	$	**$**	**$**	**$**
Accounts payable and accrued liabilities	205,139	205,139	-	-

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows for a rolling period of 12 months to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations.

Management believes there is sufficient capital to meet short-term business obligations, after taking into consideration the cash flow requirements from operations and the Company's cash position as at January 31, 2022. Nevertheless, management understands that it will have to raise more funds in order to support its operations going forward.

Market risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity and commodity prices.

Foreign exchange risk

Foreign exchange risk is the risk that the Company will be subject to foreign currency fluctuations in satisfying obligations related to its foreign activities. The Company's operations are based in the U.S., and may have, from time to time, transactions denominated in foreign currencies. The Company's primary exposure to foreign exchange risk is that transactions denominated in foreign currency may expose the Company to the risk of exchange rate fluctuations. Based on its current operations, management believes that the foreign exchange risk is minimal.

Fair value

Fair value estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company's financial instruments consist of cash, receivables (excluding sales tax recoverable), and accounts payable and accrued liabilities. The fair value of cash, receivables (excluding sales tax recoverable), and accounts payables and accrued liabilities are approximately equal to their carrying value due to their short-term nature.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at January 31, 2022, the Company did not have any financial instruments which were carried at fair value.

Proposed Transaction

On October 22, 2021, the Company entered into a binding letter of intent with Holly Street Capital Ltd. ("Holly Street" or the "Resulting Issuer"), a capital pool company under Exchange Policy 2.4 of the TSXV, in respect of a proposed business combination transaction pursuant to which Holly Street 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 (the "Qualifying Transaction") of Holly Street in accordance with Policy 2.4 - Capital Pool Companies of the Corporate Finance Manual of the TSXV.

On January 7, 2022, USCM and Holly Street entered into a definitive agreement (the "Business Combination Agreement"). Pursuant to the terms and conditions of Business Combination Agreement, upon satisfaction or waiver of the conditions precedent, the Qualifying Transaction will be affected among Holly Street, USCM and the USCM Securityholders. Pursuant to the Business Combination Agreement, holders of issued and outstanding USCM Shares will receive one Post-Consolidation Holly Share (as defined below) for each USCM Share held (the "Exchange Ratio"). Pursuant to the Business Combination Agreement, all existing securities convertible into USCM Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase Post-Consolidation Holly Shares on substantially similar terms and conditions.

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

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 Street or USCM; the parties obtaining all necessary consents, orders, regulatory and shareholder approvals, including the conditional approval of the TSXV; completion of the Consolidation, the 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.

Significant Accounting Judgments and Estimates

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses. These are described in greater detail in Note 2(e) to the Company's audited consolidated financial statements for the period from incorporation on July 12, 2021 to January 31, 2022.

Summary of Significant Accounting Policies

The significant accounting policies used by the Company are described in greater detail in Note 3 to the Company's audited consolidated financial statements for the period from incorporation on July 12, 2021 to January 31, 2022.

Contingencies

The Company's E&E activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. As at January 31, 2022, the Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make future expenditures to comply with such laws and regulations.

Off Balance Sheet Arrangements

As at January 31, 2022 and the date of this MD&A, the Company does not have any off-balance sheet arrangements.

Disclosure of Outstanding Share Data as of February 23, 2022

As at the date of this MD&A, the number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of USCM are as follows:

Common Shares	Number Outstanding
Issued and outstanding	25,000,100
Issuable under warrants	25,000,000

Risk Factors

There are numerous and varied risks, known and unknown, that may prevent the Company from achieving its goals. If any of these risks occur, the Company's business, financial condition or results of operation may be adversely affected. In such case, the trading price of the Company's common shares could decline, and investors could lose all or part of their investment. The following is a summary of risks that could be applicable to the business of the Company:

Exploration risks

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of precious metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral-bearing structure may result in substantial rewards, few properties which are explored are ultimately developed into producing mines.

Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; mineral prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

There is no certainty that the expenditures made by the Company towards the search and evaluation of minerals will result in discoveries of commercial quantities of minerals.

Limited operating history

The Company, with a limited operating history, is in the early stage of exploration and must be considered as a start-up company. As such, the Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenue. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations. The Company also has no history of earnings.

Because the Company has a limited operating history, investors should consider and evaluate its operating prospects in light of the risks and uncertainties frequently encountered by early-stage companies in rapidly evolving markets. These risks may include:

- risks that it may not have sufficient capital to achieve its growth strategy;
- risks that it may not develop its product and service offerings in a manner that enables it to be profitable and meet its patients' or customers' requirements;
- risks that its growth strategy may not be successful;
- risks that fluctuation in its operating results will be significant relative to its revenues; and
- risks relating to an evolving legal and regulatory regime for the psychedelic industry that varies significantly by jurisdiction.

The Company's future growth will depend substantially on its ability to address these, and other risks described in this section. If it does not successfully address these risks, its business may be significantly harmed.

Additional financing

The Company believes that its raised capital is sufficient to meet its presently anticipated working capital and capital expenditure requirements for the near future. This belief is based on its operating plan which, in turn, is based on assumptions, which may prove to be incorrect. In addition, the Company may need to raise significant additional funds sooner to support its growth, respond to competitive pressures, acquire or invest in complementary or competitive businesses or technologies, or take advantage of unanticipated opportunities. If its financial resources are insufficient, it will require additional financing to meet its plans for expansion. The Company cannot be sure that this additional financing, if needed, will be available on acceptable terms or at all.

Furthermore, any debt financing, if available, may involve restrictive covenants, which may limit its operating flexibility with respect to business matters. If additional funds are raised through the issuance of equity securities, the percentage ownership of existing shareholders will be reduced, such shareholders may experience additional dilution in net book value, and such equity securities may have rights, preferences or privileges senior to those of its existing shareholders. If adequate funds are not available on acceptable terms or at all, the Company may be unable to develop or enhance its properties, take advantage of future opportunities, or respond to competitive pressures, any of which could have a material adverse effect on its business, prospects, financial condition, and results of operations.

Volatile global financial and economic conditions

Current global financial and economic conditions remain extremely volatile and unpredictable, which may impact the Company's ability to obtain financing in the future on favorable terms or obtain any financing at all. Additionally, negative global economic conditions may cause a long-term decrease in asset values. If such global volatility and market turmoil recur or continue, the Company's operations and financial condition could be adversely impacted.

The market price of securities is volatile and may not accurately reflect the long-term value of the Company

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies has experienced substantial volatility in the past. This volatility may affect the ability of holders of common shares to sell their securities at an advantageous price. Market price fluctuations in the shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the shares.

Financial markets historically at times experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the common shares may decline even if the Company's results, underlying asset values or prospects have not changed.

Additionally, these factors, as well as other related factors, may cause decreases in investment values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted, and the trading price of the shares may be materially adversely affected.

Limited market for securities

There can be no assurance that an active and liquid market for the Company's shares will develop or be maintained, and an investor may find it difficult to resell any securities of the Company.

Commodity prices

The price of the Company's common shares, its financial results, and exploration and development activities may in the future be significantly adversely affected by declines in the price of precious metals or other minerals. The price of precious metals and other minerals fluctuates widely and is affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the U.S. Dollars and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of precious metals or other minerals could cause development of and commercial production from the Company's properties to be impracticable. Future production from the Company's mineral exploration properties is dependent upon the prices of precious metals and other minerals being adequate to make these properties economic.

In addition to adversely affecting the Company's financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Reliability of resource estimates

There is no certainty that any mineral resources identified in the future on any of the Company's properties will be realized. Until a deposit is actually mined and processed, the quantity of mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral resources may vary depending on, among other things, metal prices. Any material change in quantity of mineral resources, grade or stripping ratio may affect the economic viability of any project undertaken by the Company. In addition, there can be no assurance that gold recoveries or other metal recoveries in small-scale laboratory tests will be duplicated in a larger scale test under on-site conditions or during production.

Fluctuations in gold and other base or precious metals prices, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such estimate.

Any material reductions in estimates of mineral resources could have a material adverse effect on the Company's results of operations and financial condition from time to time.

Operating risk and insurance coverage

No assurance can be given that insurance will be adequate to cover the Company's liabilities or will be generally available in the future or, if available, that premiums will be commercially justifiable. If the Company were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if the Company were to incur such liability at a time when it is not able to obtain liability insurance, its business, results of operations and financial condition could be materially adversely affected.

Environmental risks and hazards

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present, and which have been caused by previous or existing owners or operators of the properties.

Government approvals and permits are currently and may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing its exploration or mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Land title

No assurances can be given that there are no title defects affecting any property interests of the Company. Title insurance generally is not available, and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be severely constrained. Furthermore, the Company has not conducted surveys of the claims in which it holds an interest and, therefore, the precise area and location of such claims may be in doubt. Accordingly, the Company's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Government regulation

The mineral exploration activities of the Company are subject to various laws governing prospecting, development, production, taxes, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. In addition, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not otherwise be applied in a manner which could limit or curtail production or development in any of the jurisdictions in which the Company operates. Amendments to other current laws and regulations governing mineral exploration and development or more stringent implementation thereof could also have a substantial adverse impact on the Company.

Reliance on management

The success of the Company is dependent on the performance of its senior management and members of the Board. The loss of services of these persons would have a material adverse effect on the Company's business and prospects in the short-term. There is no assurance the Company can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Conflicts of interest

Certain directors and officers of the Company are also directors, officers, or shareholders of other companies in the mineral exploration industry and in other industries, which may give rise to conflicts of interest from time-to-time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest that they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required under the applicable corporate laws to disclose his interest and to abstain from voting on such matter.

Risks associated with increasing competition

The mining industry is competitive in all of its phases. The Company faces strong competition from other mining companies in connection with the acquisition of properties prospective for precious and base metals, and for technical and exploration personnel who can help advance such properties. Many of these companies have greater financial resources, operational experience and technical capabilities than the Company. As a result of this competition, the Company may be unable to maintain or acquire additional attractive mining properties on terms it considers acceptable or at all. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Management of growth

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Dividends

The Company has no earnings or dividend record and does not anticipate paying any dividends on the Company's common shares in the future.

Internal controls

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures and will implement a number of safeguards, in each case, in order to help ensure the reliability of its financial reports, including those imposed on the Company under Canadian securities law, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and materially adversely affect the trading price of the Company's common shares.

Liability for activity of employees, contractors and consultants

The Company could be liable for fraudulent or illegal activity by its contractors and consultants resulting in significant financial losses to claims or regulatory enforcement actions against the Company. Failure to comply with relevant laws could result in fines, suspension of licenses and civil or criminal action being taken against the Company. Consequently, the Company is subject certain risks, including the risk that contractors and consultants may inadvertently fail to follow the law or purposefully neglect to follow the law, either of which could result in material adverse effects to the financial condition of the Company.

Disruption of business

Conditions or events including, but not limited to, those listed below could disrupt the Company's operations and/or increase operating expenses, resulting in delayed performance of contractual obligations or require additional expenditures to be incurred: (i) extraordinary weather conditions or natural disasters such as hurricanes, tornadoes, floods, fires, extreme heat, earthquakes, etc.; (ii) a local, regional, national or international outbreak of a contagious disease, including COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu, or any other similar illness could result in a general or acute decline in economic activity (see also, "Public Health Crises" below); (iii) political instability, social and labor unrest, war or terrorism; or (iv) interruptions in the availability of basic commercial and social services and infrastructure including power and water shortages, and shipping and freight forwarding services including via air, sea, rail and road.

Public health crises

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises beyond our control, including the current outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a global health emergency. Many governments have likewise declared that the COVID-19 outbreak in their jurisdictions constitutes an emergency. Reactions to the spread of COVID-19 have led to, among other things, significant restrictions on travel, business closures, quarantines and a general reduction in consumer activity. While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot be reasonably estimated at this time.

Such public health crises can result in volatility and disruptions in the supply and demand for various products and services, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect interest rates, credit ratings, credit risk and inflation. The risks to the Company of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak. At this point, the extent to which COVID-19 may impact the Company is uncertain; however, it is possible that COVID-19 may have a material adverse effect on the Company's business, results of operations and financial condition.

Disclosure of Internal Controls over Financial Reporting

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to non-venture issuers, this MD&A does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). In particular, management is not making any representations relating to the establishment and maintenance of: controls and procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its filings or other reports or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Investors should be aware that inherent limitations on the ability of management of the Company to design and implement on a cost-effective basis DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of filings and other reports provided under securities legislation.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The Company's consolidated financial statements have been prepared in accordance with IFRS and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the Company's consolidated financial statements in all material aspects.

The Board of Directors of the Company has reviewed the consolidated financial statements and this MD&A with management, and the disclosure contained in this MD&A.

February 23, 2022

Darren Collins
Chief Executive Officer

APPENDIX E

PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

US Critical Metals Corp.

Pro Forma Condensed Consolidated Financial Statements

As at January 31, 2022

(Expressed in Canadian Dollars)

(Unaudited)

US Critical Metals Corp.

Unaudited Pro Forma Condensed Consolidated Statement of Financial Position
As at January 31, 2022
(Expressed in Canadian Dollars)

	USCM	Holly Street	Note 4	Pro Forma Adjustments	Pro Forma Consolidation
	$	$		$	$
Assets					
Current Assets					
Cash	11,985	218,634	a	6,000,000	6,073,983
			b	(156,636)	
Receivables	5,959	-			5,959
Prepaid expenses	14,173	-	e	-	14,173
Total Assets	**32,117**	**218,634**		**5,843,364**	**6,094,115**
Liabilities					
Current Liabilities					
Accounts payable and accrued liabilities	205,139	6,936	d	50,000	262,075
Total Liabilities	**205,139**	**6,936**		**50,000**	**262,075**
Shareholders' Equity					
Share capital	159,255	425,022	a	3,020,646	5,289,348
			b	(156,636)	
			c	(425,022)	
			c	1,752,333	
			e	513,750	
Share-based payments reserve	-	53,000	c	(53,000)	92,318
			c	92,318	
Warrants reserve	87,331	-	a	2,979,354	3,066,685
Accumulated other comprehensive loss	(597)	-			(597)
Accumulated deficit	(419,011)	(266,324)	c	266,324	(2,615,714)
			c	(1,632,953)	
			d	(50,000)	
			e	(513,750)	
Total Shareholders' Equity	**(173,022)**	**211,698**		**5,793,364**	**5,832,040**
Total Liabilities and Shareholders' Equity	**32,117**	**218,634**		**5,843,364**	**6,094,115**

US Critical Metals Corp.

Unaudited Pro Forma Condensed Consolidated Statement of Loss and Comprehensive Loss
For the Year Ending January 31, 2022
(Expressed in Canadian Dollars)

	USCM	Holly Street	Note 4	Pro Forma Adjustments	Pro Forma Consolidation
	$	$		$	$
Expenses					
Exploration and evaluation expenses	229,243	-			229,243
Professional fees	167,486	25,239	d	50,000	242,725
Office and general	17,451	317			17,768
Advertising and promotion	4,831	-			4,831
Regulatory and filing	-	6,554			6,554
Total Operating Expenses	**(419,011)**	**(32,110)**		**(50,000)**	**(501,121)**
Other Expenses and Income					
Acquisition cost	-	-	c	(1,632,953)	(2,146,703)
			e	(513,750)	
Foreign exchange loss	(597)	-			(597)
	(597)	**-**		**(2,146,703)**	**(2,147,300)**
Net Loss and Comprehensive Loss	**(419,608)**	**(32,110)**		**(2,196,703)**	**(2,648,421)**

1. Basis of Presentation

The accompanying unaudited pro forma condensed consolidated financial statements have been prepared by management to reflect the acquisition of US Critical Metals Corp. ("USCM") by Holly Street Capital Ltd. ("Holly Street") by way of business combination (the "Business Combination") after giving effect to the proposed transaction (the "Transaction") as described in Note 3.

The unaudited pro forma condensed consolidated financial statements have been derived from and should be read in conjunction with the following:

(a) The audited consolidated financial statements of USCM as at and for the period from July 12, 2021 (Date of Incorporation) to January 31, 2022; and
(b) The unaudited condensed interim consolidated financial statements of Holly Street as at and for the three months ended December 31, 2021.

The functional currency of both USCM and Holly Street is the Canadian Dollar ("CAD"). As such, the unaudited pro forma condensed consolidated financial statements are presented in CAD.

The unaudited pro forma condensed consolidated financial statements have been prepared as if the Transaction had occurred as of February 1, 2021.

The Transaction between USCM and Holly Street is accounted for as an asset acquisition under the scope of IFRS 2 – Share-Based Payments. The costs relating to the Transaction plus the aggregate of the fair value of the consideration paid has been recognized as acquisition costs, in the unaudited pro forma condensed consolidated statement of loss and comprehensive loss.

It is management's opinion that these unaudited pro forma condensed consolidated financial statements present, in all material respects, the Transaction, assumptions and adjustments described in accordance with International Financial Reporting Standards ("IFRS"). These unaudited pro forma condensed consolidated financial statements are not intended to reflect the financial position or results of operations which would have actually resulted if the events reflected herein had been in effect at the dates indicated. Actual amounts recorded once the Transaction is completed are likely to differ from those recorded in the unaudited pro forma condensed consolidated financial statements. Any potential synergies that may be realized and integration costs that may be incurred upon consummation of the Transaction have been excluded from the unaudited pro forma condensed consolidated financial statements. Further, these unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the financial position or results of operation that may be obtained in the future.

2. Summary of Significant Accounting Policies

The unaudited pro forma condensed consolidated financial statements have been compiled using accounting policies in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"), as set out in the audited consolidated financial statements of USCM for the period from July 12, 2021 (Date of Incorporation) to January 31, 2022, and the unaudited condensed interim consolidated financial statements of Holly Street as at and for the three months ended December 31, 2021, unless otherwise indicated.

In preparing the unaudited pro forma condensed consolidated financial information, consideration was given to identify accounting policy differences between USCM and Holly Street where the impact was potentially material and could be reasonably estimated. Accounting policy differences may be identified after consummation and integration of the proposed Transaction. However, the significant accounting policies of USCM, after giving effect to the pro forma adjustments, are believed to conform in all material respects to those of Holly Street.

3. Description of Transaction

On January 7, 2022, USCM, Holly Street and the USCM Vendors entered into a business combination agreement (the "Business Combination Agreement"), which provides for the acquisition by Holly Street of all the issued and outstanding securities of USCM.

Pursuant to the terms of the Business Combination Agreement, Holly Street has agreed to purchase all of the issued and outstanding securities of USCM from the USCM Vendors in exchange for: (a) one (1) resulting issuer share (the "Payment Share") for every one (1) USCM share ("USCM Shares) held by each USCM shareholder ("USCM Shareholder"); and (b) one (1) resulting issuer replacement warrant for each one (1) USCM warrant ("USCM Warrant") held by each USCM warrant holder, on the same terms and conditions as the USCM warrants. The Transaction is intended to constitute the Qualifying Transaction.

The purchase price payable by Holly Street to the USCM shareholders for their respective USCM Shares shall be deemed to be $0.35 per USCM Share so acquired, which shall be satisfied in full by the issuance to the USCM Shareholders of one (1) Payment Share for each one (1) USCM Share (the "Payment Ratio"). Holly Street further agrees to purchase all USCM Warrants existing immediately prior to closing in exchange for an equivalent common share purchase warrant of the resulting issuer to receive such number of common shares of the resulting issuer (each, a "Resulting Issuer Share") as equal to the number of USCM Warrants multiplied by the Payment Ratio.

Immediately prior to the Transaction, Holly Street will complete a consolidation (the "Consolidation") of its outstanding Holly Street common shares on the basis of one new Holly Street common share (each, a "Holly Street Post-Consolidation Share") for each 1.5 old Holly Street shares, pursuant to which the total number of Holly Street Post-Consolidation Shares issued and outstanding immediately following such consolidation shall be approximately 5,006,666.

Upon completion of the Transaction, Holly Street will change its name to "US Critical Metals Corp.", or such other name as may be acceptable to USCM.

4. Pro Forma Assumptions and Adjustments

The unaudited pro forma condensed consolidated financial statements incorporate pro forma adjustments and assumptions to give effect to the Transaction as follows:

(a) In connection with the Transaction Holly Street will complete a concurrent offering (the "Financing") pursuant to which it will issue 17,142,858 post-Consolidation units of Holly Street (each, a "Holly Street Post-Consolidation Unit) at a price of $0.35 (the "Financing Price") per Holly Street Post-Consolidation Unit for gross proceeds of $6,000,000. Each Holly Street Post-Consolidation Unit will consist of one Holly Street Post-Consolidation Share and one post-Consolidation common share purchase warrant of Holly Street (each, a "Holly Street Post-Consolidation Warrant"). Each Holly Street Post-Consolidation Warrant shall entitle the holder thereof to purchase one Resulting Issuer Share at an exercise price of $0.50 per share for a period of 24 months following the date of grant.

    The estimated fair value of the Holly Street Post-Consolidation Warrant is $2,979,354, based on Black-Scholes with the following assumptions: fair value of $0.0066 based on USCM's most recent financing price, expected dividend yield – 0%, expected volatility – 125%, risk-free interest rate – 1.28%, and an expected life of two years. In making the assumptions for expected volatility, industry average was used as historical data was not available for USCM's stock price.

(b) In connection with the Financing, eligible finders (the "Finders") will be paid fees equal to 7% of certain gross proceeds raised from Holly Street Post-Consolidation Units sold to subscribers introduced to Holly Street by such Finders, for an aggregate total of $156,636.19. The Finders were also issued finder warrants ("Finder Warrants") equal to 7% of certain Holly Street Post-Consolidation Units sold to subscribers introduced to Holly Street by such Finders, for an aggregate total of 447,532 Finder Warrants. Each Finder Warrant shall entitle the holder thereof to purchase one Resulting Issuer Share at an exercise price of $0.35 per share for a period of 24 months following the date of grant. No valuation was performed on the Finder Warrants for purpose of the pro forma consolidated financial statements as the terms are unknown at this point.

(c) To record the Transaction, it is assumed to constitute an asset acquisition whereby Holly Street acquires USCM. The assets acquired and liabilities assumed are to be recorded at their estimated fair market values, which are based on preliminary management estimates and are subject to valuation adjustments.

i. The estimated fair value of the common shares issued to Holly Street shareholders as consideration is based on the anticipated Financing price of $0.35 per Holly Street Post-Consolidation Unit. Immediately prior to the Transaction, Holly Street is expected to complete the Consolidation resulting in 5,006,666 Holly Street Post-Consolidation Shares.

ii. The estimated fair value of the options issued to Holly Street option holders as consideration are based on the Black-Scholes option pricing model ("Black-Scholes") with the following assumptions: anticipated Financing Price – $0.35, expected dividend yield – 0%, expected volatility – 125%, risk-free interest rate – 0.72 to 1.65%, and an expected life of 0.72 to 8.14 years. In making the assumptions for expected volatility, industry average was used as historical data was not available for USCM's stock price.

(d) Legal fees related to the Transaction are estimated to be approximately $50,000.

(e) Pursuant to an agreement with a finder, 1,467,857 common shares will be issued to a finder in connection with the Transaction. The estimated fair value of the common shares issued to the finder is based on the anticipated Financing price of $0.35.