

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Critical Elements Lithium Corporation (the "Company")
1080 Cote du Beaver Hall, Suite 2101
Montreal, QC, Canada
H2Z 1S8

Item 2. Date of Material Change

January 21, 2020

Item 3. News Release

The press release was issued and distributed on January 21, 2020 via Accesswire.

Item 4. Summary of Material Change

The Company announced a \$10,000,000 bought deal private placement financing

Item 5. Full Description of Material Change

The Company announces that it has entered into an agreement with Paradigm Capital Inc. and Cantor Fitzgerald Canada Corporation (the "**Co-Lead Underwriters**") on behalf of a syndicate of Underwriters (together with the Co-Lead Underwriters, the "**Underwriters**") in connection with a bought deal private placement offering (the "**Offering**") of 9,091,000 units (each, a "**Unit**") of the Corporation to be issued at \$1.10 per Unit (the "**Issue Price**") for gross proceeds of \$10,000,100.

Each Unit of the Corporation will consist of one common share in the capital of the Corporation (a "**Common Share**") and one-half of one common share purchase warrant (each whole warrant a "**Warrant**"). Each whole Warrant will entitle the holder thereof to purchase one Common Share at a price of \$1.75 for a period of two years following the Closing Date.

In addition, the Underwriters have been granted an option to purchase up to 2,272,750 additional Units at the Issue Price.

The net proceeds from the Offering will be primarily used for exploration and development, and general working capital purposes.

The Offering is expected to close on or about February 11, 2021 (the "**Closing Date**") and is subject to certain closing conditions including, but not limited to, the receipt of all necessary approvals including the conditional listing approval of the TSX Venture Exchange (the "**TSX-V**"). The securities issued under the Offering will be subject to a hold period in Canada expiring four months and one day from the closing date of the Offering. The Offering is subject to final acceptance of the TSX-V.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7. Omitted Information

None

Item 8. Executive Officer

Jean-Sébastien Lavallée, CEO
(819) 354-5146
jslavallee@cecorp.ca

Item 9. Date of Report

January 22, 2020