Critical Resources Limited

13 June 2023

Appointment of Lithium Industry Expert Anthony Tse as Strategic Advisor to the Board

Highlights

- Critical Resources appoints Anthony Tse, the former Managing Director and Chief Executive Officer of lithium miner Galaxy Resources, as a Strategic Advisor
- Mr Tse has extensive experience in growing lithium companies and delivering high-value shareholder outcomes through acquisition, divestment and merger activity
- Mr Tse will support the Critical Resources Board in delivering its growth strategy centered on the Mavis Lake Lithium Project in Ontario, Canada
- Lithium raw materials projects in Canada and the United States are perfectly positioned to capitalise on the unprecedented investments being made into North American battery and electric vehicle supply chains

Lithium development company Critical Resources Limited **ASX:CRR** ("Critical Resources" or "the Company") is pleased to announce the appointment of lithium industry expert, Anthony Tse, as a Strategic Advisor to the Board.

Mr Tse is the former Managing Director and Chief Executive Officer of Galaxy Resources ("Galaxy"), where he served on the Board for 11 years. During his tenure as the CEO of Galaxy, Mr Tse managed a global portfolio of assets, including the mining operations at the Mount Cattlin hard rock lithium project, development projects in the James Bay region of Canada and the Argentina Sal de Vida lithium-brine project. Mr Tse also oversaw the building of one of the largest most technologically advanced lithium conversion facilities in China (Jiangsu chemical refinery).

During his tenure, Galaxy grew from an initial A$30 million market capitalization to just under A$10 billion following a merger with Orocobre to form Allkem (ASX:AKE) in late 2021. Allkem is now one of the world's top-tier lithium producers and recently announced its intention to merge with US-based Livent (NTSE:LTHM) to become a leading global lithium chemical company with a value of approximately A$15.7 billion[1].

Mr Tse is a Director on the Board of Li-Cycle Corp. (NYSE: LICY), one of the leading lithium battery recycling and resource recovery companies in North America, and Li-Metal Corp. (CSE: LIM), a developer of lithium metal and anode technologies for next generation lithium-based solid-state

[1] Refer Livent announcement 10 May 2023, based on a combined market capitalisation of Allkem and Livent on 9 May 2023.

batteries. He is also a Senior Advisor to Sicona Battery Technologies, a developer of silicon-based materials for next generation lithium battery anode technologies.

In addition to his active industry participation responsibilities, Mr Tse is an Operating Partner for the Global Private Equity Group of Franklin Templeton (NYSE: BEN) and a Senior Advisor to the EMR Capital group of portfolio companies.

Critical Resources Chairman, Mr Robert Martin said:

"As a board, we are delighted to have someone with Anthony's experience join our Company. Anthony's tenure at Galaxy, which saw him oversee the growth of the company to a top-tier lithium mine operator, with vertically integrated chemical conversion facilities in China whilst also advancing the development of hard rock and brine projects in Canada and Argentina respectively, will be an invaluable knowledge source in our company's growth phase.

Anthony's relationships with tier one customers in North America, Asia and Europe speaks volumes for the significant and invaluable insights that he will bring in helping to guide and support the Company moving forward. We are excited to begin working with him as we seek out opportunities to leverage the potential of the Mavis Lake Lithium Project."

Mr Anthony Tse commented:

"I am excited at the opportunity of collaborating with Robert, Alex and the rest of the team at Critical Resources.

With the continued accelerated build-out of the lithium battery value chain and electric vehicle manufacturing capacity in North America, coupled with the elevated level of government policy and financial support now being provided to the industry, such as the Inflation Reduction Act, it is becoming more evident that the growth in demand in the lithium battery sector and, therefore, growth in demand for critical minerals such as lithium, will continue to accelerate unabated.

The Mavis Lake Lithium Project, with its recently defined maiden resource, combined with Critical Resources' existing portfolio show great development potential and are strategically located with well-established logistics infrastructure to serve the North American market.

I look forward to working with the team and seeing the projects advance through development, and to play a key role in supporting the regional supply chain."

This announcement has been approved for release by the Board of Directors.

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ABOUT CRITICAL RESOURCES LIMITED

Critical Resources is advancing and developing critical metals projects for a decarbonised future. The Company holds a suite of lithium prospects across Ontario, Canada, including Mavis Lake, Graphic Lake, Plaid and Whiteloon Lake. The Company's other projects include a copper project in Oman, and a base metals project in Halls Peak NSW, Australia.

The Company's primary focus is the rapid development of its flagship Mavis Lake Lithium Project. Mavis Lake is an advanced exploration project with near-term development potential. The Company completed over 19,500m of drilling in 2022 and has commenced another significant drilling program in 2023. In early 2023, Critical Resources released its maiden JORC Code 2012 Compliant Inferred Mineral Resource Estimate (MRE) for Mavis Lake – making Critical Resources just one of two ASX-listed companies with a JORC Code 2012 compliant mineral resource in Ontario. In parallel, the Company has also commenced initial studies that will underpin the transition from explorer to developer.

Appendix A – Summary of Key Terms of Mr Tse Engagement

The Appointment is for an initial 12 month term, during the term, Mr Tse will be paid a fixed monthly fee.

In addition, Mr Tse will be assigned Performance Rights that will be convertible on a 1:1 basis into fully paid Shares in the Company subject to performance hurdles. The Performance Rights will be managed in accordance with the Company's Employee Securities Incentive Plan (ESIP) and are aligned to existing staff and management targets for Company growth and valuation as follows:

- 750,000 Performance Rights which will be convertible upon the Company achieving a market capitalization of greater than AUD$150M for 30 consecutive trading days;
- 750,000 Performance Rights which will be convertible upon the Company achieving a market capitalization of greater than AUD$200M for 30 consecutive trading days;
- 500,000 Performance Rights which will be convertible upon the Company achieving a market capitalization of greater than AUD$300M for 30 consecutive trading days.

For each tranche, each of the vesting conditions will need to be satisfied before 31 December 2025 for the Performance Rights to Vest. The Performance Rights are issued for nil cash consideration.

Full details of the Company's ESIP is outlined the Company's Notice of Meeting dated 15 November 2022.