17 February 2022

A$12.5 million Placement Completed to Accelerate Exploration at Mavis Lake and Halls Peak

Highlights

- **A$12.5 million Placement completed to institutional and sophisticated Investors**
- **Funding allows the Company to accelerate exploration works at the Company's high priority lithium and base metals projects:**
  - **drilling expected to commence in April at the Company's high grade Mavis Lake Lithium Project following up previous intersections:**
    - **26.3m at 1.70% Li2O from 112m**
    - **55.25m at 1.04% Li2O from 80.75m**
  - **expand drilling program at Halls Peak base metals project in NSW which has delivered excellent results to date and with drilling on going:**
    - **5.3m @ 26.29% Zn, 12.49% Pb, 1.28% Cu, 49.18g/t Ag, 0.15g/t Au from 7.7m**
    - **12.45m @ 10.91% Zn, 5.73% Pb, 1.15% Cu, 331.63g/t Ag (10.7 oz/t Ag) and 1.50g/t Au from 4.6m**
- **Company is now well funded to advance its battery and base metals projects with Placement funds added to the $4.75 million Cash at bank as at 31 December 2021**

Critical Resources Limited (ASX:**CRR**) (**"Critical Resources"** or the **"Company"**), is pleased to advise that it has completed a placement to sophisticated and institutional investors to raise A$12.5 million at A$0.085 per share (**"Placement"**)**.** Canaccord Genuity and Sixty Two Capital acted as Joint Lead Managers to the Placement. Funds raised will be employed to accelerate exploration and development across the Company's projects, with a focus on the Mavis Lake and Graphic Lake lithium projects in Ontario, Canada and the Halls Peak base metals project in New South Wales, Australia.

Critical Resources Managing Director Alex Biggs said: "This capital raise is a step change for the Company in terms of future development opportunities. Funds will allow the Company to execute its strategy and continue its aggressive exploration activities already underway at Halls Peak in NSW, and furthermore across its newly acquired Mavis Lake and Graphic Lake lithium projects in Canada. This level of funding really does allow us to fast-track and accelerate our exploration strategies across our projects, which is an exciting value proposition for our shareholders. We thank our loyal shareholders for their continued support and welcome our new shareholders."

The Placement will be completed using a portion of the Company's available capacity under ASX Listing Rule 7.1 (total of 15,000,000 shares) and a portion of the available capacity under ASX Listing Rule 7.1A (total of 132,058,824 shares), for a total of 147,058,824 fully paid ordinary shares. Settlement is proposed for Wednesday 23 February, with the allotment of Shares the following day, Thursday 24 February.

Funds raised from the placement will be applied to exploration, evaluation and development on the Company's existing projects, project generation and general working capital.

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Mavis Lake Lithium Project

The Mavis Lake Lithium Project is located approximately 20 kilometres east of the town of Dryden, Ontario. The Project is in close vicinity to the Trans-Canada highway and railway, with major transportation arteries linking the project areas with larger cities such as Thunder Bay, Ontario, to the southeast and Winnipeg, Manitoba, to the west. The region boasts excellent infrastructure with hydro-power located a few kilometres to the south-west of the project. The region is a well-established lithium exploration and development province, with multiple projects located within the vicinity.

[1,2]Previous drill programs have yielded high-grade Li_2O intercepts including 55.25m at 1.04% Li_2O from 80.75m in drill hole MF18-53 and 26.30m at 1.70% Li_2O from 111.9m inc. 7.70m at 2.97% Li_2O from 130.5m in drill hole MF17-491, presenting significant exploration potential.

Project location and prospect location are shown in Figure 1 and Figure 2 respectively.

Permitting for an initial 5,000m drill program is underway as well as additional exploration activities.

Early-stage exploration including airborne surveys and field mapping will also be conducted at the recently acquired Graphic Lake lithium project, located approximately 180km from Mavis Lake. Once complete this work will lead to the development of a maiden drill program at Graphic Lake.

[1]*The reported intersections reported are down hole measurements and are not necessarily true width.*
Critical Resources Announcement
[2]25 October 2021 – Canadian High Grade Lithium Asset Binding Terms Sheet Signed

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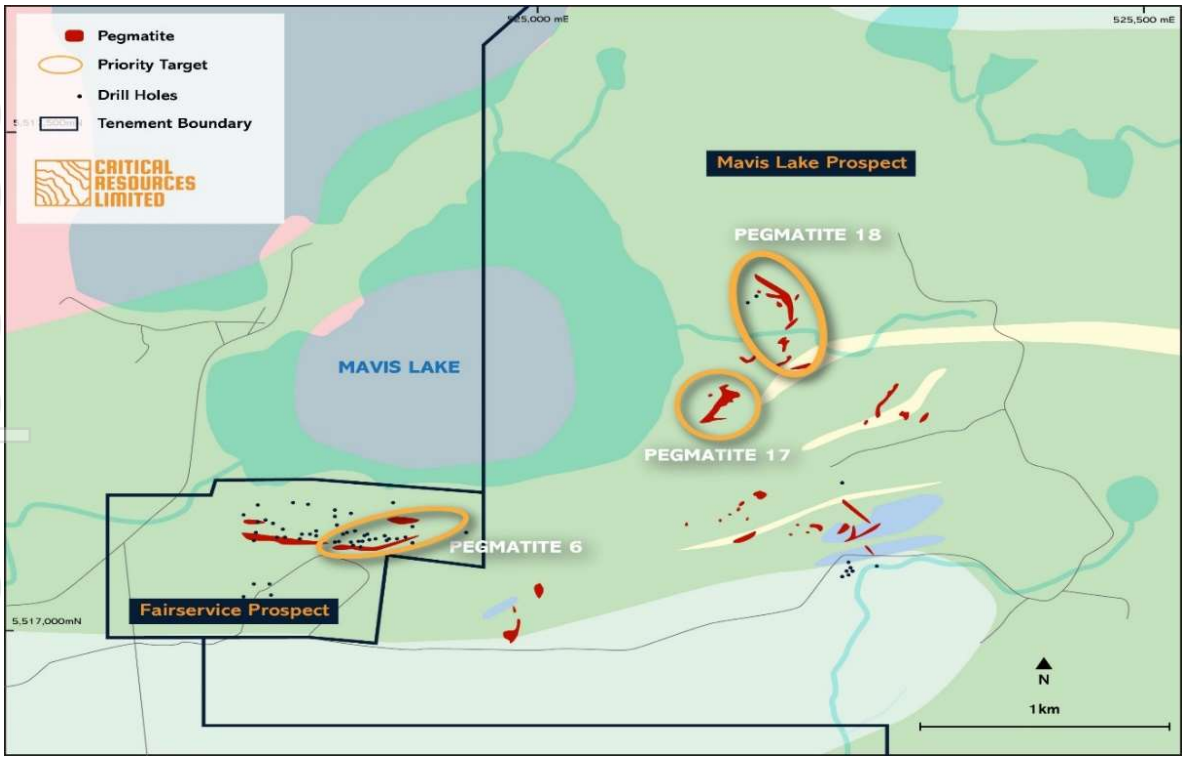
Figure 1: Mavis Lake project location

Figure 2: Location of Mavis Lake prospects



Halls Peak Base Metals Project

The 100% owned Halls Peak project is located in New South Wales approximately 45km South-East of Armidale in the New England Fold Belt, an area well known for its mineral endowment and production. The Halls Peak massive sulphide deposits were discovered in 1896 where near surface mining extracted high-grade Zinc, Lead, Copper and Silver. More recent near surface exploration has been conducted by Precious Metal Resources Limited, Sovereign Gold Company Limited (now Critical Resources Limited) and Force Commodities Limited (now Critical Resources Limited) yielding high-grade intercepts. Some near surface historic mining has occurred around the Sunnyside prospect.

A current drill program of 4,200m is in progress, with another 1,200m of drilling recently approved (ASX announcement 11 February 2022) to further test extensional and at depth potential. The current drill program has yielded some exceptional results with the plan to further test at depth and extensional potential.

[3]Previous drilling results includes:

Critical Resources Limited

- *5.30m @ 26.29% Zn, 12.49% Pb, 1.28% Cu, 49.18g/t Ag, 0.15g/t Au*
  (refer ASX announcement dated 09 February 2022)
- *5.99m @ 8.17% Zn, 4.33% Pb, 0.84% Cu, 25.36g/t Ag, 0.13g/t Au*
  (refer ASX announcement dated 09 February 2022)
- 12.45m @ 10.91% Zn 5.73% Pb, 1.15% Cu, 331.63g/t Ag and 1.50g/t Au
  (refer ASX announcement dated 11 January 2022)

Critical Resources Limited (formerly Sovereign Gold Company and Force Commodities Limited) – ASX Announcements [3]

- 11.3m @ 15.18% Zn, 8.02% Pb, 597g/t Ag, 1.61% Cu from hole SG-03
  (refer to ASX announcement dated 15 December 2016)
- 11.2m @ 19.71% Zn, 10.77 % Pb, 134.96 g/t Ag, 0.8% Cu from hole SG-06
  (refer ASX announcement dated 29 December 2016)
- 7.2m @ 20.19% Zn, 7.17 % Pb, 30.93gpt Ag, 0.66% Cu from hole SG-05
  (refer to ASX announcement dated 29 December 2016)
- 5.7m @ 9.44% Zn, 7.09% Pb, 155g/t Ag, 0.53% Cu from hole SG-03
  (see ASX announcement dated 15 December 2016)

Precious Metal Resources Limited – ASX Announcements [3]

- 37.2m @ 8.7% Zn, 3.0% Pb, 85g/t Ag, 1.4% Cu from hole DDH HP 026
  (refer to ASX announcement dated 03 January 2014)
- 7.45m @ 8.88% Zn, 3.11% Pb, 22 g/t Ag, 0.56% Cu from hole DDH HP 027
  (refer to ASX announcement dated 15 January 2014)

[3]The information required pursuant to listing rule 5.7 is included in ASX announcement dated 08 July 2021

Halls Peak is considered to have potential to contain world class deposits similar to those already being mined in northern Australia. The project area comprises multiple historic mines and prospects including Gibsons, Sunnyside, Firefly, Faints, Khans Creek, Keys and Mickey Mouse. All current exploration activities are focused on exploration licence EL 4474 with primary targets being the Gibsons and Sunnyside prospects. A summary of the project location is shown in Figure 3.

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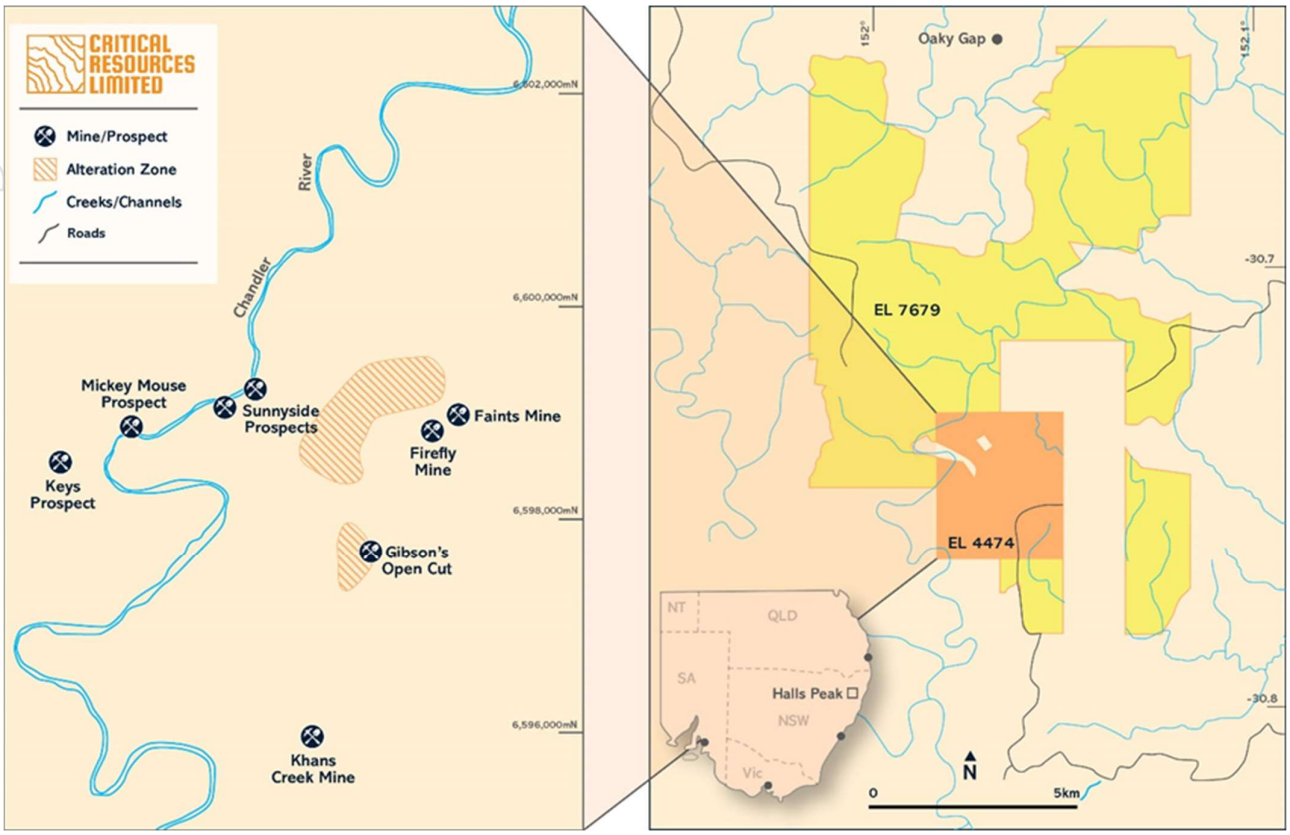
Figure 3: Halls Peak project location



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

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ABOUT CRITICAL RESOURCES LIMITED

Critical Resources is a base metals and lithium exploration and development focused company headquartered in Perth, Western Australia and is listed on the Australian Securities Exchange (ASX:CRR). The Company has recently been undergoing a structured process of change at the Director and Executive level. These changes mark the commencement of a renewed focus by the Company on providing shareholder value through the exploration, development and advancement of the Company's long held NSW assets, its newly acquired Lithium assets in Canada and also of its Copper assets in Oman.

FORWARD LOOKING STATEMENTS

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

NO NEW INFORMATION

Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.