

14 October 2024

NOTICE UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

This notice is given by Brazilian Critical Minerals Limited (ACN 089 221 634) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**CI 2016/84**). References in this notice of the Corporations Act are references to the Corporations Act as modified or amended by CI 2016/84.

On Monday, 14 October 2024, the Company announced a non-renounceable pro-rata entitlement offer of fully paid ordinary shares in the capital of the Company (**Shares**) on the basis of one (1) new Share for every three (3) Shares held as at 5:00pm (WST) on Friday 18 October 2024 (**Record Date**) to all shareholders, at an issue price of \$0.01 per Share, to raise approximately \$2,897,304 (before costs) (**Offer**).

Based on the current capital structure (and assuming an additional 38,451,909 Shares are issued under tranche 1 of the placement announced on 10 October 2024 prior to the Record Date), a total of an additional 289,730,445 Shares will be issued if the Offer is fully subscribed.

Any shortfall under the Offer will be dealt with by the Company at its discretion, in accordance with the allocation policy set out in the Offer Booklet which was lodged with the ASX on 14 October 2024 and will be dispatched on Wednesday, 23 October 2024.

The Company hereby confirms that in respect of the Offer (as per the requirements of paragraph 708AA(2)(f) of the Corporations Act):

- (a) the Company will offer the Shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) the Company is providing this notice under paragraph 2(f) of section 708AA of the Corporations Act;
- (c) as at the date of this notice the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) sections 674 and 674A of the Corporations Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act; and
- (e) the potential effect that the issue of the new Shares pursuant to the Offer will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand. If all shareholders subscribe for their entitlements, then all shareholders will retain their percentage ownership in the Company, and the issue of Shares under the Offer is not expected to have any material effect on the control of the Company.

Drake Special Situations LLC (**Drake**) is presently the Company's largest substantial holder. Based on information known to the Company as at the date of this announcement, on the Record Date, Drake would have a relevant interest in the voting Shares in the Company of 19.46% (169,140,799 Shares) resulting in an Entitlement of 56,380,266 Shares under the Offer (assuming no additional Shares are acquired by Drake prior to the Record Date).

Drake has indicated to the Company that it has no present intention of subscribing for Shares under its Entitlement under the Offer. Drake's relevant interest in voting Shares in the Company will therefore be diluted as a result of the Offer.

In general terms, the potential effect that the issue of the Shares under the Offer will have on the control of the Company is as follows:

- (a) if all eligible shareholders take up their entitlements under the Offer, the issue of Shares under the Offer will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Offer;
- (b) in the more likely event that there is a shortfall, eligible shareholders who do not subscribe for their full entitlement of Shares under the Offer and ineligible shareholders unable to participate in the Offer will be diluted relative to those shareholders who subscribe for some or all of their entitlement; and
- (c) in respect of any shortfall, eligible shareholders will be entitled to top-up their shareholding, by subscribing for additional shares to be issued from the shortfall pool (Shortfall Offer). However, the Company will only issue such Shares pursuant to an application received where the Directors are satisfied, in their discretion, that the issue of the Shares will not increase the applicant's voting power above 19.90%.

Further details of the Offer are set out in the Offer Document which was lodged with the ASX on 14 October 2024 and will be dispatched on Wednesday, 23 October 2024

Yours faithfully

Andrew Reid
Managing Director
Brazilian Critical Minerals

This announcement has been authorised by the Board.