

BRAZILIAN CRITICAL MINERALS LIMITED

ACN 089 221 634

OFFER DOCUMENT

For a pro rata non-renounceable Rights Issue to Eligible Shareholders on the basis of 1 New Share for every 3 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.01 per New Share to raise approximately \$2,897,304 (before costs) (**Offer**).

The Offer opens on Wednesday, 23 October 2024 and closes at 5:00pm (WST) on Wednesday, 6 November 2024 (unless it is lawfully extended). Valid acceptances must be received before that time.

Applications for New Shares by Eligible Shareholders can only be made by using or following the instructions on an Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out the Eligible Shareholders' Entitlement to participate in the Offer.

Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form.

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered by this document.

The New Shares offered by this Offer Document should be considered as speculative.

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1. IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

1.1 This document is not a prospectus

This Offer Document is dated 14 October 2024, has been prepared by Brazilian Critical Minerals Limited and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Document is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the Shares offered by this document.

This Offer Document including each of the documents attached to it and which form part of this Offer Document are important and should be read in their entirety prior to making an investment decision. In particular, Shareholders should refer to the risk factors set out in section 4 of this document. If you do not fully understand this Offer Document or are in any doubt as to how to deal with it, you should consult your professional adviser.

1.2 Section 708AA of the Corporations Act

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act and applicable ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 (**ASIC Instrument 2016/84**). In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Offer.

1.3 Eligibility

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

1.4 Overseas Shareholders

This Offer Document does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Document.

The Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

United States Shareholders

This Offer does not constitute an offer in the United States of America, nor does it constitute an offer to a person who is a US Person or someone who is acting on behalf of a US Person.

The Shares have not been, and will not be, registered under the US Securities Act 1933 and may not be offered or sold in the United States of America, or to, or for the account or benefit of, US Persons (as defined in Rule 902 under the US Securities Act) except under an available exemption from registration under the US Securities Act. These Shares may only be resold or transferred if registered under the US Securities Act or pursuant to an exemption from registration under the US Securities Act and in compliance with state securities laws. The Company is under no obligation and has no intention to register the Shares in the United States of America.

Further detail in relation to foreign jurisdictions is set out in this Offer Document.

New Zealand Shareholders

The Offer is being made in New Zealand pursuant to the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand).

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.5 Notice to nominees and custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.6 Forward-looking statements

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Document, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4 of this Offer Document.

1.7 Privacy Act

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do

not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

CORPORATE DIRECTORY

Directors

Jeremy Robinson (*Non-Executive Chairman*)

Andrew Reid (*Managing Director*)

Abby Smith (*Non-Executive Director*)

Company Secretary

Ben Donovan

Registered Office

Level 28
140 St Georges Terrace
PERTH WA 6000

Telephone: + 61 8 6383 7820

Website:

<https://www.braziliancriticalminerals.com/>

ASX Code

BCM

Share Registry*

Automic Pty Ltd
Level 5
191 St Georges Terrace
PERTH WA 6000

Telephone: 1300 288 664

Legal Advisers

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Lead Manager

Euroz Hartleys Limited
Level 37, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Auditor*

William Buck Audit (WA) Pty Ltd
Level 3
15 Labouchere Road
SOUTH PERTH WA 6151

*These parties have been included for information purposes only. They have not been involved in the preparation of this Offer Document.

2. DETAILS OF THE OFFER

2.1 The Offer

The Offer is being made as a non-renounceable entitlement offer of 1 New Share for every 3 Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.01 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as set out in Section 2.7 of this Offer Document, a maximum of approximately 289,730,445 Shares will be issued pursuant to this Offer to raise up to approximately \$2,897,304.

As at the date of this Offer Document, the Company has 299,645,233 Options on issue some of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to section 2.7 of this Offer Document for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

The Directors may at any time decide to withdraw this Offer Document and the offer of Shares made under this Offer Document in which case the Company will return all Application monies (without interest) within 28 days of giving such notice of withdrawal.

2.2 Use of Funds

Completion of the Offer will result in an increase in cash in hand of up to approximately \$2,897,304 (before the payment of costs associated with the Offer).

The Company intends to apply the funds raised under the Offer as follows:

ITEMS OF EXPENDITURE	\$	%
PFS studies	700,000	24.16
Piloting and field trials for in-situ leaching	500,000	17.26
Environmental baselines studies	300,000	10.35
Mineral Resource Update (Ema Project)	250,000	8.63
Metallurgical test works	250,000	8.63
Working capital ¹	860,014	29.68
Expenses of the Offer ²	37,290	1.92
Total	2,897,304	100

Note:

1. Funds allocated to working capital will be used for administration expenses of the Company, including administration fees, Director's remuneration and other administration and obligatory overheads.
2. Expenses of the Offer include ASX listing fees and legal fees.

The above table is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the success of exploration activities, commodity prices, market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied.

2.3 Indicative Timetable

EVENT	DATE
Lodgement of Offer Document, s708AA Cleansing Notice with ASX and Appendix 3B (prior to commencement of trading)	Monday 14 October 2024
Ex date	Thursday 17 October 2024
Issue of Shares under Tranche 1 of the Placement	Friday 18 October 2024
Record Date for determining Entitlements	Friday 18 October 2024
Offer Document sent out to Eligible Shareholders & Company announces this has been completed Offer Opening Date	Wednesday 23 October 2024
Last date to extend the Offer Closing Date	Friday 1 November 2024
Closing Date	Wednesday 6 November 2024
Shares quoted on a deferred settlement basis	Thursday 7 November 2024
ASX notified of under subscriptions	Friday 8 November 2024
Issue date	Monday 11 November 2024
Quotation of Shares issued under the Offer	Tuesday 12 November 2024

* Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares.

** These dates are indicative only and are subject to change.

2.4 Lead Manager

Euroz Hartleys Limited has been appointed as lead manager to the Offer (**Lead Manager**). Further details on the role of the Lead Manager under the Offer and the fees to be paid under the Lead Manager Mandate are set out in section 5 of the Offer Document.

2.5 Entitlements and acceptance

Details of how to apply under the Offer are set out in Section 3 of this Offer Document.

The Entitlement of Eligible Shareholders to participate in the Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Document.

You can also apply for Additional Shares under the Shortfall Offer in addition to your Entitlement by following the instructions set out in Section 3. The Shortfall Offer is described in Section 3.4 below.

2.6 No rights trading

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

2.7 Capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

SHARES	NUMBER
Shares currently on issue	830,739,425
Shares to be issued under tranche 1 of the Placement (prior to the Record Date)	38,451,909
New Shares offered pursuant to the Offer ¹	289,730,445
Total Shares on issue after completion of the Offer¹	1,158,921,779²

Notes:

1. This number may vary due to rounding of Entitlements and may increase as a result of the rounding up of New Shares offered under the Offer.
2. Note this does not include 11,548,091 Shares proposed to be issued under tranche 2 of the Placement, subject to Shareholder approval which the Company will seek at its 2024 Annual General Meeting scheduled for 28 November 2024.

Options

OPTIONS	NUMBER
Options currently on issue:	
Quoted (BCMO) exercisable at \$0.05 on or before 11/01/2026	248,502,376
Quoted (BCMOA) exercisable at \$0.12 on or before 31/12/2025	48,142,857
Unquoted exercisable at \$0.05 on or before 20/12/2026	3,000,000
Total	299,645,233¹

Notes:

1. Pursuant to the Lead Manager Mandate, the Company has agreed, subject to Shareholder approval, to issue the Lead Manager 1 Option for every Share issued under the Placement, Offer and Shortfall Offer, exercisable at \$0.0175 on or before 3 years from the date of issue. The Company will seek approval to issue the Options to the Lead Manager at its 2024 Annual General Meeting scheduled for 28 November 2024.

Performance Rights

PERFORMANCE RIGHTS	NUMBER
Performance Rights currently on issue	8,000,000
Performance Rights offered under the Offer	Nil
Total Performance Rights on issue after completion of the Offer	8,000,000

The capital structure on a fully diluted basis as at the date of this Offer Document would be 1,138,384,658 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 1,466,567,012 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

2.8 Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders are set out in the table below:

HOLDER	HOLDING AS AT RECORD DATE	APPROXIMATE % AT RECORD DATE ¹	ENTITLEMENTS UNDER THE OFFER	HOLDINGS IF OFFER NOT TAKEN UP	APPROXIMATE % POST OFFER
Shareholder 1	100,000,000	11.50%	33,333,333	100,000,000	8.63%
Shareholder 2	50,000,000	5.75%	16,666,667	50,000,000	4.31%

Shareholder 3	15,000,000	1.73%	5,000,000	15,000,000	1.29%
Shareholder 4	4,000,000	0.46%	1,333,333	4,000,000	0.35%
Shareholder 5	500,000	0.06%	166,667	500,000	0.04%

Notes:

1. This is based on a share capital of 830,739,425 Shares at the date of this Offer Document and 38,451,909 Shares to be issued prior to the Record Date under tranche 1 of the Placement.

2.9 Directors Interests and Participation

Each Director's relevant interest in the securities of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

DIRECTOR	SHARES	VOTING POWER (%)	ENTITLEMENT	\$
Jeremy Robinson ¹	2,000,000	0.24%	666,667	6,666.67
Abby Smith ²	2,000,000	0.24%	666,667	6,666.67
Andrew Reid	375,058	0.05%	125,020	1,250.20

Notes:

1. Jeremy Robinson also holds 3,000,000 Incentive Options (subject to vesting conditions), on the terms approved at the Company's 2023 Annual General Meeting held on 27 November 2023.
2. Abby Smith also holds 1,000,000 Performants Rights.
3. Refer to the Appendix 3Ys and Annual Reports of the Company for further information on the Directors interests in Securities.

The Board recommends all Shareholders take up their Entitlement and advises that all Directors intend to take up their Entitlements in whole or in part.

2.10 Effect of the Offer on control and voting power in the Company

The Company's substantial holders and their Entitlement prior to the Offer are set out in the table below.

SUBSTANTIAL HOLDER	SHARES	VOTING POWER (%)	ENTITLEMENT	\$
HSBC Custody Nominees (Australia) Limited ¹	169,140,799	19.46%	56,380,266	563,802.66
Citicorp Nominees Pty Limited	91,676,444	10.55%	30,558,815	305,588.15

Notes:

1. The voting power in the table is calculated on the basis the Company has 869,191,334 Shares on issue, taking into account the Shares to be issued prior to the Record Date under tranche 1 of the Placement.
2. These Shares are controlled by Drake Special Situations LLC (**Drake**).

As at the date of this Offer Document, Drake has 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. 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 as shown by the table in section 2.8; 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%.

2.11 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of release of this Offer Document and the respective dates of those sales were:

	(\$)	DATE
Highest	\$0.018	13 July 2024
Lowest	\$0.011	24 September 2024
Last	\$0.011	11 October 2024

2.12 Opening and Closing Dates

The Offer opens on the Opening Date, being Wednesday 23 October 2024, and closes on the Closing Date, being 5:00pm (WST) on Wednesday 6 November 2024 (or such other dates as the Directors in their discretion shall determine subject to the ASX Listing Rules). The Company will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the ASX Listing Rules.

2.13 Issue and dispatch

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and the indicative timetable set out in Section 2.3 of this Offer Document. Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis.

Pending the issue of the Shares or payment of refunds pursuant to this Offer Document, all Application monies will be held by the Registry in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Form.

The expected dates for issue of New Shares offered by this Offer Document and dispatch of holding statements is expected to occur on the dates specified in the Timetable set out in Section 2.3 of this Offer Document.

It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

2.14 ASX listing

Application for official quotation by ASX of the New Shares offered pursuant to this Offer Document will be made.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

2.15 CHESS

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

2.16 Risk Factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are non-exhaustive. Please refer to Section 4 of this Offer Document for further details.

2.17 Taxation implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

2.18 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for Shares under the Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website <https://www.braziliancriticalminerals.com/> or the ASX www.asx.com.au.

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the Company's and the ASX websites.

This Offer Document (including the Entitlement & Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

2.19 Enquiries concerning Offer Document

Enquiries relating to this Offer Document should be directed to the Company Secretary on + 61 8 401 248 048

3. ACTION REQUIRED BY SHAREHOLDERS

3.1 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Document. You may participate in the Offer as follows:

- (a) **if you wish to accept your Entitlement in full:**
 - (i) follow instructions on the Entitlement and Acceptance Form; and
 - (ii) arrange payment by BPAY® or Electronic Funds Transfer (EFT) for the amount indicated on the Entitlement and Acceptance Form; or
- (b) **if you only wish to accept part of your Entitlement:**
 - (i) follow instructions on the Entitlement and Acceptance Form; and
 - (ii) arrange payment by BPAY® or EFT for the appropriate Application monies (at \$0.01 per New Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Your payment must reach the Registry no later than 5:00pm (WST) on the Closing Date.

The Offer is non-renounceable. Accordingly, a holder of Shares may not sell or transfer all or part of their Entitlement.

3.2 Implications of an acceptance

Paying any Application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the Application may not be varied or withdrawn except as required by law.

3.3 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 2:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (**EFT**) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies;
- (c) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess; and
- (d) multiple acceptances must be paid separately. Please use your unique reference on your personalised Application Form, failure to do so may result in your funds not being allocated to your application and Shares subsequently not issued.

3.4 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Offer Document and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.01 being the price at which Shares have been offered under the Offer.

No Applicant under the Shortfall Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shortfall Shares by Directors in consultation with the Lead Manager will be influenced by the following factors:

- (a) number of shares bid for by particular Applicants;
- (b) the timeliness of the bid by particular Applicants;
- (c) the Company's desire to expand its spread of institutional shareholders;
- (d) the size and type of funds under management of particular Applicants;
- (e) overall anticipated level of demand under the Offer;
- (f) the likelihood that particular Applicants will:
 - (i) be long-term Shareholders;
 - (ii) support the Company's share price post the Offer by purchasing Shares on-market;
 - (iii) support future funding rounds if and when required; and
- (g) any factors other than those described above that the Company and its brokers consider appropriate.

Allocations under the Shortfall Offer will also be managed to ensure that no Shareholder goes above the 20% threshold imposed by section 606 of the Corporations Act.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for. Similarly, no Shares will be issued via the Shortfall Offer to any related parties of the Company.

4. RISK FACTORS

4.1 Introduction

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which securities will trade.

The following is a summary of the more material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Offer Document in its entirety and consult their professional advisors before deciding whether to apply for the New Shares.

4.2 Key investment risks

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. Prospective investors should read this Offer Document in its entirety before deciding whether to apply for Shares under this Offer Document.

These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

(a) Additional requirements for capital

The funds raised under the Offer are considered sufficient to meet the current proposed objectives of the Company. Additional funding may be required in the event future costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of its research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) Brazil

The Company's projects are located in Brazil. The Company may be subject to the risks associated with operating in Brazil, involving various risks and uncertainties which could include, but are not limited to, exchange rate fluctuations, potential for higher inflation, labour unrest, the risks of expropriation and nationalization, renegotiation or nullification of existing concessions, licences, permits and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation and changing political conditions, currency controls and restrictions on imports of equipment and consumables and on the use of foreign contractors. Changes, if any, in mining or investment policies or shifts in political attitude in Brazil may impact the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, production, price controls, export controls, foreign currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

Outcomes in courts in Brazil may be less predictable than in Australia, which could affect the enforceability of contracts entered into by the Company or its subsidiaries in Brazil.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could impact on the operations or profitability of the Company. The Company has made its investment and strategic decisions based on the information currently available to the Directors, however should there be any material change in the political, economic, legal and social environments in Brazil, the Directors may reassess investment decisions and commitments to assets in Brazil.

(c) **Price volatility and exchange rate**

If the Company achieves success leading to production on any of its projects, the revenue it will derive through the sale of precious or critical metals exposes the potential income of the Company to price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and critical metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of precious and critical metals are denominated in United States Dollars, whereas the income and expenditure of the Company are and will be taken into account in Brazilian and Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States Dollar, the Australian dollar and the Brazilian Real as determined in international markets.

(d) **Market price of precious and critical metals**

Changes in the market price of precious and critical metals, which may be volatile, will affect the viability of the Company. The market prices of precious and critical metals are set in the world market and are affected by numerous industry factors beyond the Company's control, including the demand for precious and critical metals, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for jewellery and industrial products containing metals, production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and producers of gold and other metals in response to any of the above factors, and global and regional political and economic factors.

(e) **Insurance risks**

Insurance against all risks associated with the Company's operations is not always available, or if it is available, affordable. The Company will maintain insurance where it is considered appropriate for its needs. However, there are likely to be some risks, in particular those relating to wilful damage and political risks, for which it will not be insured either because appropriate cover is not available or because the Board consider the required premiums to be excessive having regard to the risk mitigation provided.

(f) **Regulatory risk**

Changes in relevant taxes (including GST), legal and administrative regimes and government policies in Australia, Brazil and other overseas states may adversely affect the financial performance of the Company, including the possibility of adversely affecting granting of Title Rights and the legal regime surrounding Title Rights. Any change to the current rate of company income tax in Australia and Brazil will impact upon Shareholder returns. Any change to current rates of income tax applied to individuals and trusts may also impact upon Shareholder returns. In

addition, any change in tax arrangements between Australia and Brazil and other jurisdictions could have an adverse impact on profits and the level of franking credits available to frank any future dividends.

(g) **Title risk**

The Company cannot give any assurance that title to the Company's projects will not be challenged or impugned for various reasons, including that they may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects.

Interests in title in Brazil are governed by laws and regulations and are evidenced by granting of licences, rights, leases, etc (**Title Right**). There is no guarantee that applications will be granted to the Company or other person who applied for a Title Right through which the Company has a beneficial interest to the Title Right. Each Title Right is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interests in, tenements if Title Right conditions are not met or if insufficient funds are available to meet expenditure commitments when they arise.

Further, Title Rights are subject to periodic renewal. There is no guarantee that current or future Title Rights will be approved. Renewal of the terms of the granted Title Right is at the discretion of the relevant government authority. Renewal conditions may include increased expenditure or work commitments or compulsory relinquishment of the areas comprising the Company's projects.

The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

(h) **Going Concern**

The Company's 2024 Annual Report to Shareholders (**Financial Report**) includes a note on the financial condition of the Company and the Company's ability to continue as a going concern. The Company's ability to meet its operational obligations are principally contingent on future capital raisings.

Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that following the successful completion of the Placement and Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short-term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long-term working capital costs of the Company.

(i) **Third party risks**

The operations of the Company will require involvement with a number of third parties, including suppliers, contractors and customers. Financial failure, default or contractual non-compliance of the part of such third parties may materially harm the performance of the Company. It is not possible for the Company to predict or protect itself against all such risks.

(j) **Joint venture risks**

The Company may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's future joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect the operations and performance of the Company.

(k) **Exploration**

The mineral leases of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of these leases, or any other leases that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its leases and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the leases, a reduction in the cash reserves of the Company and possible relinquishment of the leases.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(l) **Mine development**

Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production, there are a variety of risks and hazards that are beyond the Company's control which may disrupt its operations, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects.

The risks associated with the development of a mine will be considered in full should the projects reach the development stage and will be managed with ongoing consideration of stakeholder interests.

(m) **Environmental**

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's

ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

(n) **Operational risks**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

4.3 General Risks

(a) **General economic conditions**

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

(b) **Equity market conditions**

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(c) **Change in government policy and legislation**

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to

various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

(d) **Climate risk**

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
- (ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(e) **Litigation risks**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(f) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(g) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this document.

(h) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(i) **Macroeconomic factors, geopolitical events and natural disasters**

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

4.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Offer Document. Therefore, the Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Offer Document.

5. LEAD MANAGER MANDATE

The Company has signed a mandate letter to engage the Lead Manager to lead manage the Placement, Offer and Shortfall Offer (**Lead Manager Mandate**).

The material terms and conditions of the Lead Manager Mandate are summarised below:

- (a) **Engagement:** The Lead Manager has been engaged as lead manager for the Placement, Offer and Shortfall Offer
- (b) **Term:** The engagement commenced on 1 October 2024 and will continue until the termination date nominated by the Lead Manager or the Company. The Lead Manager or the Company may terminate by providing no less than 2 months written notice. Neither party may provide a notice of termination before 1 October 2025.
- (c) **Fees:** In consideration for the work undertaken during the term of engagement, the Lead Manager will receive:
 - (i) **(Advisory Fees)** in the event the Company raises \$2,000,000 under the Placement, Offer and Shortfall Offer, the Company will pay the Lead Manager an advisory fee of \$5,000 per month for the remaining term of the engagement;
 - (ii) **(Capital raising Fees)** the Company will:
 - (A) pay a cash fee equal to 6% of the proceeds under the Placement and Shortfall Offer; and
 - (B) following Completion of the Placement, Offer and Shortfall Offer, subject to obtaining any necessary Shareholder or ASX approvals, issue 1 unlisted Option for every 1 Share issued under the Offer (being the aggregate of all Shares issued under the Placement, Offer and Shortfall Offer), exercisable at \$0.0175 per Share on or before the date which is 3 years from the date of issue.
- (d) **Reimbursement of Expenses:** The Company agrees to reimburse the Lead Manager for all reasonable out-of-pocket expenses (including any applicable GST) incurred by the Lead Manager in connection with the Offer.
- (e) **Right of first refusal:** The Company has granted the Lead Manager a right of first refusal to act as lead manager to any future capital raise undertaken by the Company during the term of the engagement.

6. DEFINED TERMS

\$ or A\$ means an Australian dollar.

Additional Shares means those New Shares not issued under the Offer.

Applicant refers to a person who submits an Entitlement and Acceptance Form, or submits a payment of subscription monies in respect of the Offer.

Application refers to the submission of an Entitlement and Acceptance Form or Shortfall Application Form (as the case may be).

ASX means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules means the Listing Rules of the ASX.

Closing Date means the closing date set out in Section 2.3 or such other date as may be determined by the Directors.

Company means Brazilian Critical Minerals Limited (ACN 089 221 634).

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company.

Drake means Drake Special Situations LLC.

Eligible Shareholder means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia or New Zealand.

Entitlement means the entitlement to subscribe for 1 New Share for every 3 Shares held by an Eligible Shareholder on the Record Date.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Offer Document.

Lead Manager means Euroz Hartleys Limited (ACN 104 195 057).

Lead Manager Mandate means the mandate agreement between the Company and the Lead Manager, summarised in Section 5.

New Share means a new Share proposed to be issued pursuant to this Offer.

Offer or Rights Issue means the pro rata non-renounceable offer of New Shares at an issue price of \$0.01 each on the basis of 1 New Share for every 3 Shares held on the Record Date subscribed for pursuant to this Offer Document.

Offer Document means this Offer Document.

Opening Date means the opening date set out in Section 2.3 of this Offer Document.

Option means an option to acquire a Share.

Placement means the Company's two tranche placement to professional and sophisticated investors announced by the Company on 10 October 2024, comprising the issue of 50,000,000 Shares at \$0.01 per Share to raise \$500,000.

Record Date means the record date set out in Section 2.3 of this Offer Document.

Section means a section of this Offer Document.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder means a holder of Shares.

Shortfall means those Shares under the Offer not applied for by Shareholders under their Entitlement.

Shortfall Offer means as defined in Section 3.4 of this Offer Document.

US Person means a person who receives the Offer when they are located in either the United States of America.