

ASX ANNOUNCEMENT

1 March 2024



Critical Metals Corp. Completes Business Combination

Critical Metals Corp. commences Trading on Nasdaq under the Symbol "CRML"

HIGHLIGHTS

- Business combination between European Lithium and Sizzle Acquisition Corp. to form Critical Metals Corp. completes;
- Critical Metals Corp. commences trading on the Nasdaq on 28 February 2024 under the Symbol "CRML";
- CRML closing price on 29 February 2024 was \$US12.38 per share reflecting a value for EUR shareholders of US\$839,220,182 (A\$ 1.3 billion)
- Sizzle raises funds totaling US\$10 million from PIPE Investors (including up to US\$20 million in total if warrant is fully exercised); and
- Critical Metals to advance the construction and commissioning of the Wolfsberg Lithium Project.

European Lithium Limited (ASX: **EUR**, FRA:PF8, OTC: EULIF) (**European Lithium** or the **Company**) is pleased to announce completion of the business combination between the Company and Sizzle Acquisition Corp., (NASDAQ: SZL) (**Sizzle**) to form Critical Metals Corp. (**Critical Metals**) (**Transaction**). Critical Metals commenced trading on the Nasdaq on 28 February 2024 under the symbol CRML.

The Wolfsberg Lithium Project (**Wolfsberg Project**) has become Critical Metals initial flagship asset, and the mines' future construction and commissioning is their focus. Successful completion of the Transaction and listing of Critical Metals on the Nasdaq supports the development of this foundational lithium asset for Europe's green energy transition.

EUR was issued 67,788,383 ordinary shares in Critical Metals at completion of the Transaction and is the largest stockholder with 83.03% of issued capital. Based on the closing share price of Critical Metals being US\$12.38 per share as of 29 February 2024, European Lithium's current investment in Critical Metals is valued at US\$839,220,182 (A\$ 1.3 billion) noting that this valuation is subject to fluctuation in the share price of Critical Metals. Through this significant interest, EUR is aligned with Critical Metals vision to become a key supplier for the lithium-ion battery supply chain in Europe. European Lithium will continue to monitor the development of the Wolfsberg Project and anticipates benefitting from Critical Metals future success as they execute their strategy.

Tony Sage, Chairman of EUR, said, "The Company is thrilled to announce completion of the transaction that brings Critical Metals to life and supports the future commercialisation of the Wolfsberg Project on Nasdaq. I want to extend our gratitude to the many hard-working contributors, Sizzle and EUR shareholders without who this would not be possible. With access to US capital markets and funds raised in the process of the listing, we believe that Critical Metals is well positioned to become a key supplier for the lithium-ion battery supply chain in Europe. Critical Metals' future success as a Nasdaq listed company is also expected to create a significant increase in shareholder value for EUR shareholders."

Sizzle Financing

On 8 February 2024, Sizzle, Critical Metals and Sizzle's sponsor, VO Sponsor, LLC, a Delaware limited liability company (**Sponsor**), entered into separate subscription agreements (each, a **Subscription Agreement**) with three accredited investors affiliated with Empery Asset Management, LP (each, a **PIPE Investor**). Pursuant to the Subscription Agreements, the PIPE Investors agreed to subscribe for and purchase from Critical Metals, and Critical Metals agreed to issue and sell to the PIPE Investors, an



For personal use only

aggregate of 1,000,000 ordinary shares, par value US\$0.001 per share (each, a **Pubco Share**), of Critical Metals for a purchase price of US\$10.00 per share, resulting in an aggregate purchase price of US\$10 million for all three PIPE Investors (the **PIPE Financing**).

The accredited investors' subscription obligations under the Subscription Agreement have now been satisfied. They were partly offset on a share for share basis by open market purchases of Sizzle's public shares of common stock, par value US\$0.0001 per share (each, a **Public Share**) after Sizzle's redemption deadline where the PIPE Investors made such purchases at no more than the redemption price and did not redeem such Public Shares (and where Critical Metals would pay to the PIPE Investors at the consummation of the Transaction the difference between the price paid by the PIPE Investors for such open market purchases and US\$10.00 per share). Through a combination of the PIPE Financing and the open market purchases, the PIPE Investors purchased approximately US\$10 million of shares in accordance with the Subscription Agreements.

In addition to the above, the PIPE Financing included the issuance of a warrant by Critical Metals to the PIPE Investors that will permit the PIPE Investors to purchase up to an additional 1 million ordinary shares at an exercise price of US\$10.00 per share (subject to adjustment, including full ratchet anti-dilution protection), expiring on the first anniversary of the closing of the Transaction which together with the PIPE Financing and open market purchases described above, would raise a total of US\$20 million if the warrant is fully exercised. The warrants in Critical Metals are otherwise on standard terms and conditions.

Transaction Overview

Completion of the Transaction included standard conditions precedent for a transaction of this nature which were to be satisfied (or waived) prior to closing, including the approval of the respective shareholders of EUR and Sizzle for the Transaction, Critical Metals' shares receiving approval to be listed on the Nasdaq, the Registration Statement on Form F-4 filed with the U.S. Securities and Exchange Commission (**SEC**) by Critical Metals becoming effective and immediately prior to closing there being no less than US\$40 million (before transaction expenses) in Sizzle's trust account, among other standard conditions.

The Transaction was approved by EUR shareholders on 20 January 2023 and Sizzle stockholders approved the Transaction at a special meeting held on 22 February 2024.

On 28 December 2023, the Company announced that the F-4 Registration Statement had been declared effective by the SEC and approval for Critical Metals' shares to be listed on the Nasdaq was received on 26 February 2024.

In order to complete the Transaction, the Company has waived the requirement of there being no less than US\$40 million (before transaction expenses) in Sizzle's trust account at closing. At closing, the balance in the Sizzle's trust account, together with amounts from the PIPE Financing prior to the payment of transaction expenses, was US\$10,895,449.

Jett Capital Advisors, LLC served as exclusive financial advisor and capital markets advisor to European Lithium in the Critical Metals Transaction. White & Case LLP served as U.S. securities counsel to European Lithium in the Critical Metals Transaction.

EUR Development Plan

The Company's focus is directed to the advancement of its European assets and as previously advised it will commence the initial work program at its Austrian Lithium Projects (refer to EUR announcement dated 21 June 2023), consisting of 245 exploration licenses covering a total area of 114.6 km² located approximately 70km north of the Wolfsberg Project. The licenses cover ground that is considered prospective for lithium occurrences and initial surface sampling showing 3.98% Li₂O.

For full details of the Austrian Lithium Project, please refer to EUR announcement dated 21 June 2023, "European Lithium Acquires Austrian Lithium Projects after DD Sampling Shows 3.98% Li₂O". The

exploration results and geology have been prepared by a Competent Person in accordance with the requirements of the JORC Code (2012). The Competent Person's Statement(s) are found in the section of this ASX release titled "Competent Person". European Lithium confirms that it is not aware of any new information or data that materially affects the information included in that release. All material technical parameters underpinning the estimates in that ASX release continue to apply and have not materially changed.

The Company will also advance its key Ukrainian lithium assets as political events allow.

European Lithium Portfolio

The Company has an interest in the following projects and investments:

- Critical Metals – The Company holds 67,788,383 ordinary shares in Critical Metals and is the largest stockholder with 83.03% of issued capital. Based on the closing share price of Critical Metals being US\$12.38 per share as of 26 February 2024, European Lithium's investment in Critical Metals is valued at US\$839,220,182 (A\$ 1.3 billion).
- Listed Investments – The Company holds:
 - 1,180,256,849 shares (representing a 11.3% interest) in Cyclone Metals Ltd (ASX: CLE). CLE has recently acquired 100% of the Iron Bear magnetite iron ore project located in the Labrador trough region of Canada. In its latest ASX release dated 14 December 2023 CLE announced a concentrate produced by metallurgical test work of 70.65% Fe with a silica level of only 1.2%.
 - 15,000,000 shares in Cufe Ltd (ASX: CUF). CUF currently exports iron ore from its Wiluna deposit and has Copper Lithium and Niobium tenements in various stages of exploration.
- Unlisted Investments – European Lithium holds a 7.5% equity interest in Tanbreez Mining Greenland A/S, which holds an exploitation permit for rare earths in Greenland.
- Austrian Lithium Exploration Assets – 100% of the rights, title and interest in the Bretstein-Lachtal, Klementkogel and Wildbachgraben projects covering an area of 114.6 km² in total, which are prospective for lithium in Austria.
- Ukrainian Lithium Assets – interest in special permits for extraction and production of lithium at the Dobra and Shevchenkivske Projects in Ukraine.

In addition to the above, the Company continues to review project opportunities in the mineral exploration area as part of its growth strategy.

This announcement is intended to lift the trading halt of EUR requested on 2 February 2024. The Company requested a trading halt on 2 February 2024 pending an announcement in connection with an update on the NASDAQ merger transaction, the timing of the special meeting of Sizzle shareholders and an update on the potential investments from strategic parties. The Company notes that in respect to the financing arrangements with a potential investor, the Board of Sizzle are managing these discussions directly. At the time of entering into the trading halt, the Company was advised by Sizzle that these discussions were well advanced and as such took the decision to enter into a trading halt and felt it prudent to do so given the significant importance of the Transaction and that many people had access to this information whilst not being known in Australia. It was subsequently confirmed by Sizzle that the Transaction would complete with funds raised through the PIPE Financing, and that discussions with the strategic investor ceased until completion of the Transaction. With the Transaction now completed, Critical Metals expects to raise significant additional funds to support the advancement of construction and commissioning for the Wolfsberg Project.

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

–END–

COMPETENT PERSON

The information in this report as it relates to exploration results and geology in respect to the Austrian Lithium Projects was compiled by Mr Geoff Balfe and Mr Kersten Kuehn who are Members of the Australasian Institute of Mining and Metallurgy. Mr Balfe is a Certified Professional and Mr Kuehn is a licensed Professional Geologist registered with the European Federation of Geologists. Both Mr Balfe and Mr Kuehn have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Balfe and Mr Kuehn consent to the inclusion in this report of matters based on the information in the form and context in which it appears.

For personal use only

