



Green Critical Minerals Commences Legal Proceedings Against Hexagon Energy Materials

Green Critical Minerals Ltd ("GCM" or "the Company") advises that it has commenced legal proceedings in the Supreme Court of Western Australia against Hexagon Energy Materials Limited ("HXG") in relation to a material breach of warranties under the earn-in agreement for the McIntosh Graphite Project.

Despite GCM's efforts over many months to resolve the dispute through without prejudice negotiations, HXG has not accepted the Companies proposed settlement offers, leaving GCM no choice but to escalate the matter through the commencement of legal proceedings.

BACKGROUND

On 15 June 2022, GCM announced it was entering into an earn-in agreement with HXG to acquire up to 80% of the McIntosh Graphite Project through a three-stage earn-in process. Since executing the agreement, GCM has expended significant resources progressing the project, including:

- Recruitment of a dedicated project team
- Commencement of a pre-feasibility study
- Approximately 4,000m of RC and diamond drilling
- Extensive metallurgical test work programs
- Marketing and product development initiatives

GCM announced on 6 December 2023 that it had successfully completed stages 1 and 2 of the earn-in in accordance with the terms agreed with HXG as part of formalising a joint venture agreement. The Company also elected at that time to proceed with stage 3 to increase its ownership in the project to 80%.

ALLEGED BREACH AND PROCEEDINGS

GCM alleges that HXG has materially breached certain warranties provided under the earn-in agreement, including in relation to previous metallurgical studies undertaken by HXG. Despite the Company's best efforts to resolve this dispute through negotiation, HXG has ceased meaningful engagement, leaving GCM no option but to pursue legal redress.

GCM has therefore commenced proceedings in the Supreme Court of Western Australia against HXG. The Company is committed to vigorously pursuing its legal rights under the earn-in agreement and remains focused on advancing the McIntosh Graphite Project.

GCM will continue to update shareholders as the legal proceedings progress.

Authorisation

The provision of this announcement to the ASX has been authorised by the Board of directors of Green Critical Minerals Limited.