Company Announcement, 20 December 2021

GGG considers options for Kvanefjeld after Greenland Government meeting

- **GGG met with Greenland's Department of Minerals Resources and Justice to discuss effects of Greenland's new legislation banning mining mineral resources with >100ppm uranium on GGG's Kvanefjeld rare earths project**
- **Department has provided two options for future development of Kvanefjeld**
- **GGG is seeking a meeting with Greenland's Minister for Finance, Minerals, Justice and Gender Equality Naaja H Nathanielsen to discuss the options and remedy mechanisms**
- **It has appointed global law firm Clifford Chance as its legal adviser**
- **GGG has commenced a strategic review under new Managing Director Daniel Mamadou, and may consider new opportunities in technology metals and minerals**
- **It is well funded to pursue new projects, with $31.6 million cash at 30 September 2021.**

Greenland Minerals Ltd ('GGG' or 'the Company') advises it met with Greenland's Department of Minerals Resources and Justice ('the Department") via video conference on 15 December 2021 to discuss the effect of Greenland's recently passed legislation banning uranium mining on development of its Kvanefjeld rare earths project.

Representatives of the Department, representatives of Greenland's Minerals Licence and Safety Authority and their legal advisers, along with GGG's recently appointed Managing Director Daniel Mamadou, senior Perth staff and the Company's legal advisors attended the meeting.

The Department delivered a presentation relating to the recently passed Greenland Parliament Act No. 20 to ban uranium prospecting, exploration and exploitation, etc. ('the Act'), and the impact of the Act on the Company's exploitation licence application for the Kvanefjeld project. Further background on the Act may be found in the Company's ASX Announcement of 12 November 2021.

According to the terms of the Act, it is to apply to licences issued after its effective date (2 December 2021). GGG's current exploration licence El 2010/02 was issued before this date and is the basis of the Company's application for an exploitation licence for the Kvanefjeld project.

However, the Department stated granting of an exploitation licence would be considered a separate, new licence, and therefore subject to the new Act. Based on this interpretation, the Company's exploitation licence application would not be granted, based on its current development proposal for Kvanefjeld.

The Company was advised of two options for Kvanefjeld, which are:

- To maintain the present exploitation licence application, to which it should expect a refusal, or

- To recall the application and potentially hand in a revised application, in which the Company would need to demonstrate that it can comply with the Act's 100 ppm uranium threshold limit.

Whilst the Company acknowledges the Greenland Parliament has the sovereign prerogative to enact legislation, the Act, as explained by the Ministry, appears to deprive the Company of its acquired rights (including under the Company's exploration licence) and effect an expropriation without compensation.

The Company is requesting a meeting with Greenland's Minister for Finance, Minerals, Justice and Gender Equality, Ms Naaja H Nathanielsen, to discuss these two options or remedy mechanisms should no suitable development options be available.

It has appointed global law firm, Clifford Chance, as the Company's legal adviser.

GGG's meeting with the Department followed its announcement earlier this month that under new management it may consider new opportunities in related technology minerals and metals sectors to create shareholder value, leveraging off its strong cash position of $31.6 million at 30 September 2021.

About the Kvanefjeld Project

The Kvanefjeld Rare Earth Project is one of the most significant and advanced emerging rare earth projects globally. The Project is unique with respect to its favourable metallurgy and forecast production profile across all commercially important rare earths. Kvanefjeld is located near existing infrastructure in southern Greenland with year-round direct shipping access to the project area. The Project has been carefully designed to minimise impacts through the consideration of the existing environment. Hydro-electricity has been positively evaluated as an option to power the project to produce low-emissions rare earth materials, in addition to providing additional power to the south Greenland grid.

Rare earth elements are critical to the electric vehicle revolution and renewable energy, as well as many other energy efficient applications. The Kvanefjeld Project is forecast to be a globally significant producer of all commercially important rare earth elements including **neodymium**, **praseodymium**, **terbium** and **dysprosium**, over an initial **37**-year mine life. These rare earths are used to make high powered permanent magnets that are utilised in electric vehicles and wind turbines, along with many other applications. Kvanefjeld is well-placed to meet the major surge in rare earth demand that will be generated by the transition to electric vehicles, along with growth in renewable energy.

Authorised for release by the Board of Greenland Minerals Ltd.

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ABOUT GREENLAND MINERALS LTD.

Greenland Minerals Ltd (ASX: GGG) is an exploration and development company focused on the development of the world-class Kvanefjeld Rare Earth Project. A comprehensive feasibility study was completed in 2015 and updated following pilot plant operations in 2016. The studies demonstrated the unique and highly advantageous strengths of the Kvanefjeld Project and outlined the potential for Kvanefjeld to be developed as a long-life, low cost, and large-scale producer of rare earth elements; key enablers to the electrification of transport systems.

Since 2017 GML has worked closely with major shareholder Shenghe Resources Holding Co Ltd, a leader in rare earth processing, to develop Kvanefjeld as a cornerstone of future rare earth supply. In 2017-18, GML undertook technical work programs with Shenghe Resources Holding Co Ltd that improved the metallurgical performance and simplified the development strategy and infrastructure footprint in Greenland, with optimised Feasibility Study outcomes announced in mid-2019. This defined a significantly enhanced project cost-structure and a direct alignment with downstream processing.

An exploitation (mining) license application for the initial development strategy was reviewed by the Greenland Government through 2016 -2020 and was formally accepted as meeting Greenland Guidelines in late 2020. Fulfilment of the Guidelines means that all aspects of the Kvanefjeld Project are based on international environmental standards and the principles of ‘Best Available Technology’ and ‘Best Environmental Practice’. Statutory public consultation for the project commenced in December 2020.

Greenland Minerals Ltd will continue to advance the Kvanefjeld project in a manner that is in accord with both Greenlandic Government and local community expectations and looks forward to being part of continued stakeholder discussions on the social and economic benefits associated with the development of the Kvanefjeld Project.

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