
Kvanefjeld Project Update

Energy Transition Minerals Ltd (ASX:ETM) ('ETM' or 'the Company') is pleased to provide an update on the developments with the Kvanefjeld rare earth project ('the project') in Greenland.

Exploration licence renewal and arbitration status

The Company has now received the official exploration licence renewal documentation for MEL 2010-02, which covers Kvanefjeld. The licence has been renewed for a 3 year period up to 31 December 2025.

When providing the licence renewal, Greenland's Mineral Licence and Safety Authority, confirmed Greenland Parliament Act No. 20 of 1 December 2021 ('Act No. 20') does not apply to the renewal of the exploration license 2010-02.

The Arbitration Panel has set 19 July 2023 as the date by which the Company's detailed Statement of Claim for arbitration must be submitted. The Company's preparation of the Statement of Claim is well advanced and will include detailed legal arguments, witness statements and other evidence supporting the claims as well as independent expert reports. The independent expert reports are being prepared specifically for the purpose of forming part of the Company's Statement of Claim.

A series of case management conferences have been held to negotiate the Procedural Orders for the conduct of the arbitration. Procedural Orders are part of the process of establishing the protocols that will govern how the proceedings will be managed. These protocols must be in place prior to lodgement of the Company's statement of claim.

Exploration licence draft decision

The Company on 22 July 2022 received a draft decision on the Company's application for an exploitation licence for the Kvanefjeld Project ('draft decision'). In the draft decision, the Greenland Ministry of Mineral Resources and Justice (the 'Ministry') proposed to reject the Company's exploitation licence application. According to the draft decision, the Company's exploitation licence application cannot be granted because it would involve exploitation of an ore body that contains more than 100 ppm of uranium, which is the threshold that was introduced in Act No. 20.

On 19 August 2022, the Company lodged a preliminary response to the Ministry. In its preliminary response, the Company objected to the draft decision on both factual and legal grounds. The Company also requested access to the file containing all relevant material upon which the draft decision is based, in addition to guidance on certain aspects of the draft decision.

Access to some of, but not all, the relevant material was provided to the Company by the Ministry between 28 December 2022, and 17 February 2023. On 17 February 2023, the



Company formally responded to the Greenland Government's draft decision to deny its Exploitation License application for the Kvanefjeld project ('the Response'). The Response was supported by a detailed Statement of Facts and set out several objections to the arguments that the Government put forward in support of its draft decision. The Response was submitted under protest because the Company had not been given sufficient time to review the documents provided.

Background to Arbitration

In November 2021, Greenland's parliament passed Act No. 20 to ban uranium prospecting, exploration and exploitation, etc. Following the passing of the legislation, a number of meetings took place to discuss the legislation and a potential path forward for the project, without a satisfactory outcome. The Company was informed, at these meeting that Act No. 20 would apply to all new licences and although an exploitation licence is considered an extension of an exploration licence, the granting of an exploitation licence for the Kvanefjeld project would be considered a new licence and therefore subject to Act No. 20.

Left with no other option, the Company commenced an arbitration process, through its subsidiary Greenland Minerals A/S, on 22 March 2022 to determine (amongst other things) whether Act No. 20 applies to the Kvanefjeld project and prevents the path for the company to receive an exploitation license. The preferred objective of the Company remains obtaining an exploitation licence for the Kvanefjeld project, preferably through dialogue with the Government of Greenland and other stakeholders.

Authorised for release by the Board of Greenland Minerals Limited.

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ABOUT ENERGY TRANSITION MINERALS LTD.

Energy Transition Minerals Ltd (ASX: ETM) is an exploration and development company focused on developing high-quality mineral projects globally. One of the Company's projects is the Kvanefjeld Rare Earth Project. A comprehensive feasibility study was completed in 2015. The studies outlined the potential for Kvanefjeld to be developed as a long-life, low cost, and large-scale producer of rare earth elements. The company is also involved in the Villasrubias lithium project. Villasrubias is an early-stage exploration project located in the region of Castille and Leon in Spain. The company continues to assess other opportunities globally with the aim to get involved in the development of critical metals projects with a view to become a key enabler of the energy transition.

Daniel Mamadou
Managing Director
+61 8 9382 2322

Miles Guy
Company Secretary
+61 9382 2322