

Company Announcement August 31st, 2022

Update on Draft Exploitation Licence Decision

- **The Company has responded to the Government of Greenland's ('GoG') draft decision to deny granting of exploitation license for the Kvanefjeld Project.**
- **The Company has requested additional time to prepare a full response to this draft decision.**
- **In the interim, the Company has provided the GoG with a preliminary response to the draft decision.**
- **The Arbitration Tribunal has confirmed an earlier recommendation it made that all parties refrain from aggravating the dispute.**
- **If the GoG complies with the Tribunal's recommendation, the Company expects that a final decision on Kvanefjeld's exploitation license will not be made before the Tribunal has ruled on the Company's current interim measures application.**

Greenland Minerals Limited ('GGG' or 'the Company') advises that, on 19 August 2022, it lodged a preliminary response to the draft decision from the Greenland Ministry of Mineral Resources ('Ministry') regarding the Company's application for an exploitation licence for the Kvanefjeld Project (the 'Draft Decision'). The 22 July 2022 Draft Decision proposes to reject the Company's exploitation licence application, and gave the Company four weeks to provide comments. See the Company's ASX announcement of 26 July 2022.

The Draft Decision covers matters spanning a period of around 15 years, over which time the Company has operated in Greenland investing in the Kvanefjeld Project. As previously announced, the basis for the Draft Decision to reject the Company's exploitation licence application relies on Greenland Parliament Act No. 20 of 1 December 2021 to ban uranium prospecting, exploration and exploitation, etc ('Act No. 20').

As previously announced, the Ministry issued the Draft Decision despite the facts that

- (i) some requirements for an exploitation licence remain uncompleted, specifically the completion of the White Papers and the Impact Benefit Agreement, and
- (ii) the application of Act No. 20 is one of the questions submitted for determination in the arbitration.

In its preliminary response to the draft decision, the Company objected to the Draft Decision on both factual and legal grounds. The Company has objected to breaches of procedure and serious errors of substance, and the legality of the proposed conclusion to reject the Company's exploitation licence application and of the making of any final decision for the reasons set out in the Draft Decision.

Given the vast range and complexity of matters covered by the Draft Decision, and the importance of a final decision on its exploitation licence application to GGG, the Company has sought, on 17 August 2022, an extension of time beyond the four week period to submit its full response. This extension, which is sought in line with rules governing decision-making by the Greenlandic authorities, has been requested until at least 21 October 2022.

In connection with this extension request, the Company has also requested access to the file containing all relevant material upon which the Draft Decision is based, as well as guidance on certain aspects of the Draft Decision. The access request follows the Ministry's notification of 6 May 2022 that the Company would be provided with any material in the Ministry's possession that has been prepared or procured in relation to the processing of the Company's exploitation licence application, and that the Company would be given the opportunity to review and comment on this material before any final decision is made on the application. See the Company's ASX Announcement of 10 May 2022.

The Company has informed the Ministry that it will be necessary to obtain the requested material and guidance before it will be able to properly exercise its right to lodge a full response to the draft decision. The Greenland Government has confirmed that the Company's requests are being processed and that it will not make a final decision on the Company's exploitation licence application before it has dealt with these requests.

In the meantime, the scheduled hearing for the Company's application for interim measures in the arbitration with the Governments of Greenland and Denmark is on 7 September 2022. The interim measures application was made by the Company on 24 June 2022 and seeks to have the *status quo* maintained and ensure that the legal process for determination of the Company's exploitation licence application is respected while the arbitration is ongoing.

After request from the Company, on 22 August 2022, the arbitral tribunal confirmed that there is a recommendation in place in the arbitration that all parties, including the Greenland Government, refrain from taking any action that would aggravate the dispute. The tribunal's recommendation will remain in place until the tribunal decides otherwise.

Accordingly, if the Greenland Government complies with the tribunal's recommendation, the Company expects that the Ministry will refrain from making a final decision on the Company's exploitation licence application, at least until the tribunal has ruled on the Company's related interim measures application after the 7 September 2022 hearing.

Authorised for release by the Board of Greenland Minerals Limited.

-ENDS-

ABOUT GREENLAND MINERALS LTD.

Greenland Minerals Ltd (ASX: GGG) is an exploration and development company focused on developing high-quality mineral projects in Greenland. The Company's flagship project is the Kvanefjeld Rare Earth Project. A pre-feasibility study was finalised in 2012, and 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.

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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.

Competent Person Statement – Mineral Resources and Ore Reserves

The information in this report that relates to Mineral Resources is based on information compiled by Mr Robin Simpson, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Simpson is employed by SRK Consulting (UK) Ltd ("SRK"), and was engaged by Greenland Minerals Ltd on the basis of SRK's normal professional daily rates. SRK has no beneficial interest in the outcome of the technical assessment being capable of affecting its independence. Mr Simpson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Robin Simpson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in the statement that relates to the Ore Reserves Estimate is based on work completed or accepted by Mr Damien Krebs of Greenland Minerals and Energy Ltd and Mr Scott McEwing of SRK Consulting (Australasia) Pty Ltd.

Damien Krebs is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the type of metallurgy and scale of project under consideration, and to the activity he is undertaking, to qualify as Competent Persons in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition). The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

Scott McEwing is a Fellow and Chartered Professional of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as Competent Persons in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition). The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

The mineral resource estimate for the Kvanefjeld Project was updated and released in a Company Announcement on February 12th, 2015. The ore reserve estimate was released in a Company Announcement on June 3rd, 2015. There have been no material changes to the resource estimate, or ore reserve since the release of these announcements.