

Company Announcement, 24 August 2021

Update on Kvanefjeld Public Meetings

Greenland Minerals Ltd ('GGG' or 'the Company') has elected not to participate in a second round of public meetings to discuss the social and environmental impact assessments for its Kvanefjeld rare earth project. These meetings have commenced in southern Greenland.

GGG has always placed a strong emphasis on community consultation and in February 2021 actively participated in a round of public meetings as part of the formal consultation process. A wide range of issues and questions relating to the impact of the project were addressed at these meetings.

However, after a new Greenland Government formed in April, a second round of meetings was scheduled to take place in August. The Company was not formally invited to participate in this second round nor was it consulted on changes to the format of meetings.

After careful consideration the Company elected not to participate because of:

- Changes to the format and conduct of the meetings which highlighted a political emphasis given that key government advisory groups (Danish Centre for Environment and the Greenland Institute of Natural Resource) would not be directly participating in the meetings either via presentation or panel participation
- Concerns for the well-being of Company representatives and consultants who were to attend, which arose following briefings on the meeting format held in Nuuk on August 17 and 18
- There being no formal obligation for the Company to participate in a second round of public meetings which have been scheduled primarily for politicians from the new Government to discuss the project with the various communities

GML has responded to and continues to respond to questions raised by the community and these responses will be collated in a document referred to as the White Paper, which will be released following the broader public consultation period.

The Company looks forward to further community engagement in appropriately structured forums to discuss development options and will continue to provide responses to questions regarding the project impact assessments as it works through the consultation process.

Background

To comply with the provisions of the Mineral Resources Act in respect of public involvement in the review of GGG's environmental and social impact assessments for the Kvanefjeld rare earth project, the Government is required to hold public meetings during a period of consultation which started on 18 December 2020 and has been extended to 13 September 2021. GGG participated in a round of consultation meetings in key locations in southern Greenland in February 2021.

With no prior notice to the Company, the Government announced via a post on its website that a second round of public consultation meetings ('the Meetings') were to be held in August.

During the February public forums, there were concerns regarding intimidation of GGG employees. Since then, the overt politicisation of the Kvanefjeld project, during and following the April 2021 election, has created an environment where safety of our representatives could not be guaranteed. Under these important considerations, the Company was increasingly concerned about participating.

Further, it became clear during briefings on August 17 and 18 that the conduct of the Meetings was to be significantly different from the conduct of the February public meetings.

February's meetings were opened with presentations from, amongst others, the Head of the Ministry of Mineral Resources (MMR) and from representatives of Greenland's Environmental Agency for Mineral Resource Activities ('EAMRA') and the Danish Center for Environment ('DCE'). These presentations are important in explaining the assessment process and the outcomes.

The DCE, and Greenland Institute for Natural Resources ('GINR'), were engaged by EAMRA, to review the Kvanefjeld Project's environmental impact assessment. The DCE and GINR had concluded at the end of a 5-year review process "that Project Kvanefjeld is very likely to be carried out without more extensive environmental effects than described in the EIA report, provided that BAT [Best Available Technology] and BEP [Best Environmental Practice] are used in all processes." (January 26, 2021).

Following presentations, the meetings were opened for wide-ranging question and answer sessions where both the head of the MMR and representatives of the DCE participated.

At briefings held on 17 and 18 August in Nuuk, the Company was advised that neither the head of the MMR nor the representative of the DCE would make a presentation during the meetings. Further it was unclear whether the DCE representatives would address any questions concerning the EIA. The Company considers that a situation where the relevant agency of Government and its advisers are unable to publicly articulate their formal conclusions supportive of the Company's environmental impact assessment, reached at the end of an exhaustive review period, to be significantly prejudicial to the interests of the Company.

The Company welcomes community consultation and had planned to participate in the Meetings. Arrangements had been made for the participation, in person and via electronic means, of employees and independent specialist consultants. However, without a transparent process and procedural fairness from the agencies involved in the formulation and assessment of the project impact assessments, the Company believes that a balanced discussion of the project and potential development options would not be possible.

To comply with further provisions of the relevant legislation, the Company must prepare a written response to issues raised, or questions posed during the public consultation period. Responses are collated in a document referred to as the White Paper. Preparation of the Company's responses to issues raised at the February meetings and submitted via the Government's online portal is well underway. Responses have been primarily answered by reference to material already contained in the impact assessments themselves or in the consultant's reports prepared to support the

assessments. Additional issues and questions are expected from the Meetings, and these will be addressed in the White Paper.

The Kvanefjeld development strategy was established following extensive stakeholder engagement at both a community and government level, with options presented during this process. The Company was the first operating in Greenland to conduct a public consultation process to establish the 'Terms of Reference' (ToR) for the project impact assessments. This process was concluded in late 2015 following the acceptance of the White Paper that addresses questions that arose in the establishment of the ToR.

The Company notes that the design and configuration of the Kvanefjeld Project which is described in the EIA was adopted at the insistence of the Government after the extensive pre-consultations, however, the Company acknowledges that significant time has elapsed since the ToR approvals.

The Company emphasizes that there are alternative configurations and development pathways which could be considered and see the current consultation phase as a basis for their evaluation.

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.

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 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.

GML is working closely with major shareholder and strategic partner Shenghe Resources Holding Co Ltd to develop Kvanefjeld as a cornerstone of future rare earth supply. An exploitation (mining) license application for the initial development strategy was reviewed by the Greenland Government through 2016 -19 and was updated in 2019 following additional supporting studies.

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. In addition, the Company continues its focus on working closely with Greenland's regulatory bodies on the processing of the mining license application and maintaining regular stakeholder updates.

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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 Ore Reserves and Metallurgy

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 Ltd and Mr Scott McEwing of SRK Consulting (Australasia) Pty Ltd. The information in this report that relates to metallurgy is based on information compiled by Damien Krebs.

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.