

Company Announcement, 21 May 2020

Updated Kvanefjeld EIA Report and Supporting Technical Studies Lodged with Greenland Government

Greenland Minerals Ltd ('GML' or 'the Company') is pleased to advise that on May 20 an updated Environmental Impact Assessment (EIA) of the Company's 100% owned Kvanefjeld rare earth project was lodged with Greenland's Environmental Agency for Mineral Resource Activities (EAMRA).

To complete the updated EIA, the Company commissioned a number of additional independent technical studies to address issues that it had been previously agreed with EAMRA merited some additional analysis. These technical studies have been provided to EAMRA in advance of the lodgement of the updated EIA to facilitate their timely review by EAMRA's key advisers, the Danish Centre for the Environment (DCE).

Managing Director Dr John Mair commented:

"Lodging the updated EIA is another important step toward Greenland Minerals securing a mining license for world-class Kvanefjeld rare earth project. Prior to lodgement, the EIA and the associated additional technical studies were the subject of an in-depth review process by independent specialist Shared Resources. The purpose of this valuable review was to ensure the studies adequately addressed issues that GML and EAMRA agreed merited some supplementary analysis. The review brought an additional layer of rigour to the process of preparing the updated EIA, and as a result, strengthened the overall quality of the EIA. We look forward to providing further updates as reviews of the EIA progress in Greenland."

Environmental Impact Assessment Reviews

Following EIA reviews in 2019, Greenland's EAMRA produced a short list of 'Type 1' issues for further clarification and study (Company Announcement 22 October 2019). A series of productive meetings were then held with EAMRA to discuss the Type 1 issues and determine what additional work should be done to address these. Studies to address the Type 1 issues were conducted by independent consultants (Company Announcement 23 March 2020), prior to undergoing a review by external impact assessment specialist Shared Resources. Studies were subsequently updated, and, where necessary expanded, prior to lodgement.

The main EIA report has also been updated to reflect both the additional work and external reviews. As part of updating the EIA report, Shared Resources was able to engage with EAMRA to best align the report with EAMRA's requirements. EAMRA has provided an indicative period of eight weeks to conduct the review process. Once EAMRA is satisfied, the Ministry for Mineral Resources and Labour will be notified, who manage the remainder of the licensing process.

The Kvanefjeld EIA process has been comprehensive with the EIA scope established by the 'Terms of Reference' that were approved in 2015 following public consultation and stakeholder engagement. The EIA draws on contributions from a broad cross section of specialist consultancies. The development strategy for Kvanefjeld has sought to apply Best Available Technology and Best Environmental Practice.

Background

GML has been working through the permitting phase for the Kvanefjeld rare earth project. Permitting in Greenland requires three main impact assessments and supporting studies to be prepared and accepted for public consultation. These include the EIA, Social Impact assessment (SIA), and Maritime Safety study. Studies undergo a detailed review process prior to being accepted for the government to present for formal public consultation. The SIA and Maritime Safety Study have been accepted for public consultation.

Following EIA reviews in 2019, Greenland's EAMRA produced a short list of 'Type 1' issues for further clarification and study. New reports to address Type 1 issues are currently undergoing review by EAMRA and their advisors. Once Type 1 issues have been satisfactorily addressed, and translated versions of the updated EIA are complete, the Kvanefjeld Project will be ready for public consultation. This process is managed by the Ministry of Mineral Resources and Labour (the Ministry).

Another key requirement for the granting of a mining license is the effective documentation of a deposit of exploitable minerals in the license area, and that this has been approved by the Greenland Government. The Ministry has provided written confirmation that GML's documentation (mineral resource and feasibility reports) for the Kvanefjeld Project (exclusive exploration license EL 2010/02) has been approved.

Approved By:
John Mair
Managing Director

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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 addition 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.