

GreenRoc Mining plc / EPIC: GROC / Market: AIM / Sector: Mining

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GreenRoc Mining plc
("GreenRoc" or the "Company")

Amitsoq MoU Signed with Norwegian Construction and Mining Group, LNS
Placing to raise £550k

GreenRoc Mining plc (AIM: GROC), a company focused on the development of critical mineral projects in Greenland, is delighted to announce that it has signed a Memorandum of Understanding ("MoU") with Leonhard Nilsen & Sønner A/S ("LNS"), a significant construction and mining group headquartered in Norway, in relation to the development of GreenRoc's Amitsoq Graphite Project in Greenland ("Amitsoq" or the "Project").

The Company is also pleased to announce that it has raised gross proceeds of £550,000 by way of a placing of 15,714,287 new ordinary shares of 0.1 pence each (the "Placing Shares") at a price of 3.5 pence per Placing Share (the "Placing Price") (the "Placing").

The net proceeds of the Placing will be put towards further test work and studies for the advancement of the Amitsoq project in Greenland, including work on the scoping study; the processing of a 700kg bulk sample of graphite ore; electrochemical test work on Amitsoq HPSG (high purity spherical graphite); and ongoing work towards the completion of Environmental and Social Impact Assessments. The net proceeds will also support further commercial negotiations with potential offtake and financial partners, and general working capital requirements.

LNS MOU: Key Points

- The MoU provides a framework for LNS and GreenRoc to explore the commercial opportunities relating to Amitsoq, and the potential appointment of LNS as the civil, mining and/or logistics contractor for Amitsoq during the construction and operational phases.
- LNS is a significant civil and mining contractor with decades of experience as a mine operator in Norway and Greenland, as well as in large-scale construction and infrastructure projects encompassing underground mine development and the development of tunnels, ports, roads and airports.
- GreenRoc and LNS have entered phase 1 of the discussions, focused on a detailed review of the construction and operational requirements for Amitsoq. A successful outcome from this phase will lead into work on heads of terms and definitive agreements.
- The MoU also envisages discussions between the parties on other possible commercial outcomes, such as debt/equity financing, joint venture and procurement (of staff, equipment, and services) at Amitsoq or GreenRoc's other projects.
- While the focus of the MoU will be on Amitsoq, discussions may be expanded in due course to encompass the plans for GreenRoc's other projects in Greenland, namely Thule Black Sands and Melville Bay Iron.

Further Information on LNS

LNS has decades of experience as a contractor and mine operator in the Arctic region and other parts of the world. It has extensive experience in the construction of mining infrastructure and in

parts of the world. It has extensive experience in the construction of mining infrastructure and in the operation of producing mines in Greenland, most recently at the producing Aappaluttoq Ruby Mine on the east coast, about 150km south of the capital city, Nuuk. It is the operating contractor for many mining companies in Norway, such as Elkem Tana AS (quartzite mine), Rana Gruber AS (iron ore) and Franzefoss Miljøkalk AS (limestone mine). It has a large fleet of machines, with options for adaptation to all types of mass removal work and has significant experience in underground mine development as well as in the development of tunnels, ports, roads and airports.

In 2020, Norway's underground copper mine developer Nussir ASA appointed LNS as the key contractor for mine development and underground mining at the Nussir mine in Norway, in a 10-year contract valued at some NOK4 billion or almost US\$450 million, including the development of a 130,000m tunnel. The mine is expected to be one of the first fully electrified mines in the world.

GreenRoc's CEO, Stefan Bernstein, commented:

"We are delighted to announce the signing of this framework MoU. LNS is renowned for its expertise in construction and mining, particularly underground. It has been running some of the world's lowest-cost underground mining operations for many years and has experience in the mining of graphite. For decades, LNS has proved its expertise in executing large-scale projects in the Arctic and in mountainous environments. It has gained considerable experience from operating in Greenland over the last ten years, including in running the mining operations at the Aappaluttoq ruby mine. LNS also has impressive ESG credentials and its emphasis on utilising innovative solutions to ensure a minimal environmental impact is an approach which aligns with how GreenRoc intends to develop Amitsoq.

"This MoU with LNS represents another important step forward for GreenRoc in bringing the Amitsoq Graphite Project into production. I am particularly looking forward to working with LNS as we explore how we can accelerate Amitsoq to production and make it into a profitable business for both companies and our shareholders, as well as for the people of Greenland.

"I am also very pleased about our successful raise of £550,000 which we will put to good use to keep up pace at Amitsoq. Along with the work programme of the Environmental and Social Impact Assessments, we can get started on the Scoping Study. Additionally, we will process our 700kg bulk sample to produce a sufficient amount of graphite concentrate to allow for advanced spherization tests."

LNS's CEO Frode Nielsen, commented:

"With the Amitsoq project, GreenRoc has identified one of the richer flake-graphite deposits in the world and we are therefore excited to be selected as a preferred contractor. With our experience from mining in Greenland and graphite mining in Northern Norway, we are well positioned to make the project into a sustainable and profitable operation."

LNS MoU: Next Steps

The parties have now entered a due diligence period (Phase 1) as part of a detailed review of the construction and operational requirements at Amitsoq, which will proceed alongside, and be informed by, the planned Scoping Study for the Project. The Company is in the final stage of the selection of its principal contractor for the Scoping Study.

Following the successful conclusion of Phase 1, a second phase (Phase 2) will involve the signing of heads of terms setting out the key terms of the proposed contractual arrangements between the parties, which will then be expanded upon in a third phase (Phase 3) involving the negotiation and signing of definitive agreements.

Although the MoU does not bind the parties to consummating a transaction, in a signal of the mutual intent of the parties to explore the opportunities for a long-term partnership, the MoU will remain in effect for up to 60 months unless terminated earlier by either party in accordance with the terms of the MoU, or unless it is extended by mutual agreement.

About Amitsoq

Amitsoq is located in the Nanortalik region of southern Greenland and has been confirmed as one of the highest-grade flake graphite projects in the world. GreenRoc is focused on fast-tracking the development of Amitsoq into a producing mine in the shortest possible timeframe to meet critical demand from Electric Vehicle ('EV') manufacturers in Europe and North America for new, high grade and conflict-free sources of graphite.

Key points about Amitsoq:

- GreenRoc's primary focus at Amitsoq is on developing the Amitsoq Island Deposit, which has a total inferred, indicated and measured JORC Resource of 23.05 million tonnes (Mt) at an average grade of 20.41% Graphitic Carbon ("C(g)"), giving a total graphite content of 4.71 Mt.
- Deposits with compliant resources above 20% contained graphite grade are scarce, with the average global grade of graphite resources being just 8.45% (according to S&P Global).
- Independent micronisation and spheronisation test work has proven that Amitsoq graphite can be easily upgraded to high-grade anode-quality graphite, otherwise known as high purity spherical graphite or HPSG, a key raw material in the manufacturing of EVs.
- In GreenRoc's test work programmes, Amitsoq spheronised graphite has achieved higher than 99.95% purity with relatively little energy input and processing and using the milder alkaline purification method compared to the industry standard hydrofluoric acid, boding well for future production costs and sustainability commitments.
- Significant further upside exists at Amitsoq as the Amitsoq Island Deposit is open in at least two directions with potential for considerable further expansion via the similarly high-grade Kalaaq Mainland Deposit as well as a series of other high-grade targets on GreenRoc's licence package.
- The deposit was in small-scale production about 100 years ago, and there remains considerable underground mine development in place from that time, which will be of considerable benefit to GreenRoc in the mine construction phase.
- Following a detailed evaluation process, the European Raw Materials Alliance has expressed its support to GreenRoc and its Amitsoq graphite project, stating that *"GreenRoc's graphite resource is of global importance and, together with the Company's strategy, will enable the European Union to achieve a certain level of independence for the electrical vehicle supply chain. ERMA has approved the Amitsoq Graphite project and will engage to support its development and financing to produce these critical raw materials for the benefit of the European Union goals."* (see RNS dated 8 February 2023).

Share Placing: Admission to Trading on AIM and Total Voting Rights

Application will be made for the Placing Shares, which will rank pari passu with the existing ordinary shares of 0.1 pence each, to be admitted to trading on AIM ("Admission"). It is expected that Admission will become effective and that dealings will commence at 8:00 a.m. on or around 9 March 2023.

Following the issue of the Placing Shares, the total issued share capital of the Company will consist of 134,314,288 ordinary shares of 0.1 pence each. The Company does not hold any ordinary shares in Treasury. Therefore, the total current voting rights in the Company following Admission will be 134,314,288 and this figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

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Certain statements, beliefs and opinions in this announcement are forward-looking, which reflect the Company's or, as appropriate, the Company's directors' current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Except as required by applicable law or regulation, the Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this document.

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About GreenRoc

GreenRoc Mining plc is an AIM-quoted company which is developing mining projects in Greenland in critical, high-demand and high-value minerals.

Led by a group of highly experienced mining industry professionals, GreenRoc has a portfolio of 100% owned projects all of which have defined Resources:

- **Amitsoq Graphite Project**, one of the highest-grade graphite deposits in the world with a

combined Measured, Indicated and Inferred JORC Resource of 23.05 million tonnes (Mt) at an average grade of 20.41% graphite, giving a total graphite content of 4.71 Mt;

- **Thule Black Sands Ilmenite Project** ('TBS'), which has an initial Mineral Resource of 19Mt at 43.6% Total Heavy Minerals with an in-situ ilmenite grade of 8.9%; and
- **Melville Bay Iron Project**, which has a Mineral Resource Estimate of 67Mt at 31.4% iron and has been proven to be processable to a high-grade, 70% concentrate with low impurities.

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