

GreenRoc Strategic Materials Plc / EPIC: GROC / Market: AIM / Sector: Mining

30 September 2024

GreenRoc Strategic Materials Plc
("GreenRoc" or the "Company")

Amitsoq Update:
Application Submitted for Exploitation Licence

GreenRoc Strategic Materials plc (AIM: GROC), a company focused on the development of critical mineral projects in Greenland, is pleased to announce that it has submitted its application for an Exploitation Licence for the Amitsoq Graphite Project in South Greenland ("Amitsoq" or the "Project"). The grant of an Exploitation Licence is a key deliverable as GreenRoc looks to fast-track 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.

The Company is also pleased to report on a number of other positive developments in respect of Amitsoq.

Highlights

Application for Exploitation Licence

- GreenRoc has submitted its application to the Government of Greenland for an Exploitation Licence for Amitsoq.
- The Government will now consider the application and, subject to approval, it will then be sent for public pre-consultation for 35 days.

Amitsoq given "Project" status by the international Mineral Security Partnership ("MSP")

- The MSP is a collaboration of 14 countries, including the United States and the United Kingdom, plus the European Union designed to catalyse public and private investment in responsible critical minerals supply chains globally.

GreenRoc CEO to speak at EU Business Mission to Greenland

- A high-level EU Business Mission will be in Greenland this week.
- Stefan Bernstein, CEO of GreenRoc, has been invited to present Amitsoq to the Commission, being one of only three raw minerals projects to be selected.

Positive results of purification tests

- Further purification testwork, seeking to develop an alternative to standard hydrofluoric acid leaching, has been completed with very positive results.
- The tests were designed to reduce the volume of reagents needed to achieve a purification level of more than 99.90 wt% graphite, with a final target of at least 99.95 wt%.

GreenRoc's CEO, Stefan Bernstein, commented:

"With our application for an Exploitation Licence now submitted, we have reached an important milestone for our Amitsoq Graphite Project. We are grateful to the Government of Greenland for having substantially simplified the process of permitting for the mineral industry while at the same time, and importantly, not diluting the existing high ESG standards required of all operators. This is an example of how governments can streamline the permitting process for raw materials projects, as has been stipulated in the EU's Critical Raw Materials Act. We believe that the grant of our Exploitation Licence should now be achievable

materials from the future that the grant of an Exploitation Licence should now be considered in matters of months rather than years.

"Amitsoq being given "Project" status under the international Mineral Security Partnership is an important endorsement of our ambition to become a major producer of graphite active anode material from our graphite mine at Amitsoq and our planned AAM production plant located at Eyde Materials Park in South Norway.

"I look forward to participating in the EU Business Mission to Greenland in the capital Nuuk this week, and to be given the opportunity to present Amitsoq to a high-level delegation comprising the EU Commission, European Investment Bank, Nordic Investment Bank and others.

"Lastly, it is pleasing to report on the further progress we have made in respect of our development of a new, more cost-effective and environmentally friendly, purification process for our graphite."

Details

Application for Exploitation Licence

Greenland Graphite a/s, the Greenland incorporated, wholly-owned subsidiary of GreenRoc, applied for an Exploitation Licence on 27 September 2024. The application consists of a Project Description of the mining plans for Amitsoq, prepared in Greenlandic and in Danish, together with a Competent Person's report on the 2023 Resource Estimation and other documentation.

The application will next be considered by Naalakkersuisut, the Greenlandic Government for formal approval of the Project Description, before the application is sent for public pre-consultation for 35 days. During the pre-consultation, Greenlandic stakeholders (e.g. the local communities) will have the opportunity to comment on the Project. After the 35 days pre-consultation, all comments received will be collated by the Government and delivered to the Company, which will then prepare and file a White Paper containing the Company's response on those comments and any amendments to the Project Description. Subject to the final approval of the Government, the Exploitation Licence will then proceed to grant.

Mineral Security Partnership - Amitsoq Achieves Project Status

GreenRoc's vertically integrated graphite anode materials project has now been formally granted "Project" status under the international Mineral Security Partnership ("MSP"). The MSP is an international initiative launched in 2022, led by the United States, to secure global supply chains for critical minerals. Member countries include major mineral consumers and producers such as the US, Canada, Australia, UK, Norway, Japan, and the EU countries. The critical minerals concerned - such as graphite, lithium, cobalt, nickel, and rare earth elements - are essential for technologies like electric vehicles, renewable energy systems, and advanced manufacturing.

The MSP aims to ensure that the supply of these minerals is reliable, resilient, and environmentally and socially responsible. It seeks to diversify global sources, reducing reliance on any single country or region, particularly China, which dominates many critical mineral markets. The partnership promotes responsible mining practices, sustainability, and fair labour conditions.

EU Business Mission to Greenland

Following on from the recently signed EU-Greenland Partnership on Raw Materials, a high-level delegation from the EU Commission will visit Greenland from 30 September to 2 October 2024. The Business Mission will comprise representatives from the EU Commission, led by Director of Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) Joaquim Nunes De Almeida, as well as representatives of the European Investment Bank and the Nordic Investment Bank. The visit will include a conference at which GreenRoc CEO Stefan Bernstein will present the Company's Amitsoq project, one of only three raw materials projects to be presented to the Commission. There will also be a series of meetings between the EU Business Mission delegates and representatives from Greenlandic industry and the Greenland Government. Dr. Bernstein is scheduled to have a number of such one-to-one meetings at the

conference.

Purification Tests

Further tests have been conducted by ProGraphite GmbH in Germany on spheronised graphite produced from Amitsoq, using alkaline sodium hydroxide (NaOH) as the main reagent. The tests were designed to reduce the volume of reagents needed to achieve a purification level of higher than 99.90 wt% graphite, with a final target of at least 99.95 wt%. Seven runs were conducted using different temperatures of purification, using either hydrochloric or sulphuric acid as the additional leaching agent to the main reagent NaOH. Temperatures ranged from 80°C to 350°C and the amount of reagent used ranged between 12.5 wt% to 20 wt% less than had been used in the purification tests conducted in November 2022 (as reported in the RNS of 20 January 2023).

The best purification run (#RV321) employed a sequence of NaOH and sulphuric acid (H₂SO₄). The levels of unwanted impurities such as Fe, Cu and Cr were at very low levels of 10.5ppm, 0.9ppm and 0.5ppm, respectively. The overall purity for this run was 99.94 wt% while the other runs with other sequences and amounts of reagents ranged 99.91-99.93 wt%. The reduction in use of chemical reagents for #RV321 was 12.5 wt%.

Further tests will be undertaken to further refine the optimal purification chemistry while at the same time seeking to decrease further the volume of chemical reagents used. This is expected to result in significant operational cost savings for GreenRoc's planned AAM plant. The Company is confident that these further refinements will enable it to reach a purity of at least 99.95 wt%. The design of a purification stage which does not rely, unlike standard purification techniques currently employed around the world, on vast amounts of hydrofluoric acid, which is both expensive and potentially hazardous, is also expected to add to the positive environmental credentials of the Amitsoq Project.

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.

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the timing and granting of regulatory and other third party consents and approvals, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

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About GreenRoc

GreenRoc Strategic Materials Plc is an AIM-quoted company which is led by a group of highly experienced mining industry professionals.

GreenRoc is developing two significant critical raw material projects in Greenland:

- The 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; and
- The 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%.

About Amitsoq

- Amitsoq is located in the Nanortalik region of southern Greenland, in year-round ice-free waters and on the same latitude as far northern Scotland.
- 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.
- The Amitsoq Island Deposit 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. This makes Amitsoq one of the highest-grade graphite projects in the world.
- Significant further resource 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 within GreenRoc's licence package.
- The Amitsoq Island 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.
- In GreenRoc's test work programmes:
 - Micronisation and spheronisation test work has proven that Amitsoq graphite can be readily upgraded to high-grade, anode-quality graphite, known as high purity spherical graphite or cSPG, a critical component in the Li-ion battery of an EV.
 - Amitsoq spheronised graphite has achieved higher than 99.95% purity with relatively little energy input and processing and using a milder alkaline purification method compared to the industry standard hydrofluoric acid, boding well for future production costs and sustainability commitments.
 - Electrochemical testing of Amitsoq graphite anode material within a test Li-ion battery cell has shown that it performs very well, in part due to its good crystallinity.
- The results of a Preliminary Economic Assessment (or PEA) for Amitsoq released on 31 October 2023 give a post-tax NPV8 for the Project of US 179M, an IRR of 26.7% and capex estimated at US 131M (including a 25% contingency). These figures solely relate to the economics of a mining and primary processing operation in South Greenland and do not take into account any potential upside from a downstream processing operation which GreenRoc intends to establish in Europe or the USA.
- In relation to that downstream business, GreenRoc has now completed a Feasibility Study into the establishment of a graphite spheronisation processing plant to produce cSPG from graphite concentrate delivered from Amitsoq. This Feasibility Study has been part-financed by a grant of approximately £250,000 from the UK's Automotive Transformation Fund and the results were published in the announcements of 7 May and 10 July 2024 which showed a post-tax NPV8 for the Project of US 621M, an IRR of 26.5% and capex estimated at US 340M (including a 25% contingency).
- GreenRoc has signed a Letter of Intent with the owner of Eyde Materials Park near Arendal in Southern Norway to secure an area for the Company's future Active Anode Materials

in Southern Norway to secure an area for the Company's future Active Anode Materials Plant. The site is ideally suited for the purpose, being in an industrial park laid out for battery-related industries and close to port facilities and with access to hydropower-based electric energy.

- Following a detailed evaluation process, the European Raw Materials Alliance has expressed its support of 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).
- The Company has received a Letter of Interest from the US EXIM Bank with an indication of its preparedness to finance up to US 3.5M of the Company's work program on the Amitsoq mine and the downstream cSPG (or AAM) plant (see RNS of 15 April 2024).

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