

## **GREENLAND RESOURCES COMMENCES PHASE II OPTIMIZATION AND INCORPORATES GREENLANDIC SUBSIDIARY**

**TORONTO, ONTARIO -- (April 20, 2020)** – Greenland Resources Inc. (“**Greenland Resources**” or the “**Company**”) is pleased to announce commencement of its Phase II Optimization study that will evaluate potential improvements to the economic stature of the Malmbjerg Molybdenum project in Greenland (“**Malmbjerg**”) and the incorporation of a 100% owned Greenlandic company that will own the Malmbjerg license to facilitate the process of obtaining an exploitation license.

During 2018 the Company conducted a Phase I Malmbjerg Project Optimization study aimed to improve economics vs the historic Malmbjerg project feasibility study (Wardrop, 2008). The successful results were incorporated in a Concept Study (DRA, 2018) and an updated Mineral Resource estimate (RPA, 2018). The Concept Study proposed an open-pit operation to exploit a pit-constrained mineral resource and an ore transportation tunnel and road combination to processing infrastructure located on barges positioned in an enclosed bay off King Oscar Fjord so as to minimize capex and environmental effects of project development. The Company is now working on a Phase II Malmbjerg Project Optimization study that will consist of testing modern preconcentration technologies on existing core with the goal of potentially reducing proforma project capex. In addition, glacier ablation will be studied further with the goal of increasing the Malmbjerg surface mineable mineral resource base.

### **Preconcentration Testing**

The aim of the preconcentration process is to remove barren and gangue waste material as early as possible in the processing circuit, so as to reduce the amount of ore requiring downstream processing while maintaining production output by virtue of higher processed molybdenum grades. The Company plans to conduct preconcentration testing this year on existing core samples.

Due to the observed differences in colour between ore and background waste in the Malmbjerg deposit, the Company believes that the ore has the potential to be sorted from background waste using available modern preconcentration technologies. A successful preconcentration operating plan for Malmbjerg would result in extensive capital cost savings due to a reduction in the size of installed equipment and the associated reduced process plant operational footprint compared to a conventional plant without preconcentration, while maintaining proforma production levels. Plant operational cost savings are also expected due to a reduction in consumed energy and reagents.

The Company has prepared a comprehensive database of available core from the historical drill campaigns conducted pre-2005, 2005 and 2007. Drill core is stored in three separate locations including the core storage facilities at Kangerlussuaq, Greenland; the former Blyklippen mine in Mestersvig, and within adits at Malmbjerg. After assessing the heterogeneity of the mineralization from existing geological information, the Company will select representative drill core samples reflecting the ore and waste domains of the Malmbjerg deposit that are suitable for ore sorting techniques.

Testing will be conducted on prepared ore samples from the available core using selected sensors deemed suitable with respect to ore deposit mineralogy. Tests will be used to evaluate the ore amenability with modern sorting technologies such as XRF, XRT, Laser, induction, NIR, optical colour, EM sensors and also evaluate the ore amenability to PGNAAs and MR sensors. The results of this sensor amenability test work will allow the company to determine the efficiencies of suitable ore sorting systems and assess economic contribution of ore sorting in the project.

### **Glacier Ablation**

The Malmbjerg Molybdenum resource model includes many drill holes that showed significant mineralization adjacent to or below the two glaciers, Arcturus and Schuchert, such that surface mining limits are restricted by the ice.

Glacier ablation since the drilling occurred, has had the effect of lowering the glacial surface, exposing mineralization and increasing the mineable mineral resource. To better understand if glacier ablation can continue to have a beneficial impact on the mineability of the Malmbjerg mineral resource, the Company requested a high-resolution satellite study from the Geological Survey of Denmark and Greenland.

The study addressed expected top elevation changes of the Schuchert and Arcturus glaciers over the period 2028 to 2048 by extrapolating recent elevation changes as derived from current satellite imagery compared to the available 2005 and 2007 LIDAR Digital Elevation Models. Results suggest that the Schuchert and Arcturus glaciers may recede vertically approximately 20 and 30 metres respectively, and therefore expose significant mineralization in Malmbjerg over the period modeled.

Greenland Chairman Dr. Ruben Shiffman noted: “Our Phase 2 optimization has the potential to make project economics attractive even in this market of unprecedented economic contraction. As we move forward, we are finding more unique features in the Malmbjerg molybdenum project. It has the potential to secure a significant part of European molybdenum consumption considering that Europe use around 25% of global molybdenum supply and produces less than 0.04%. It is a high-grade molybdenum project located in a European associate member country that enjoys preferential taxation regime in trade with Europe. It is glacier ablation positive with potential to supply around 5% of global molybdenum demand and generate over US\$1 billion in direct taxes for Greenland”.

### **Greenlandic subsidiary and permitting process**

The Company is in the process of incorporating a wholly-owned subsidiary in Greenland, which will hold the Malmbjerg Molybdenum License 2018/11. The Company is confident that the subsidiary will provide a stronger presence in Greenland and will prove important in the award of the exploitation license for Malmbjerg. The Company continues to work with Greenland Minerals Authority in the Terms of Reference for the Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA), two key documents required to obtain an exploitation license in Greenland.

Malmbjerg is a Climax type pure molybdenum deposit and has a pit-constrained Measured and Indicated Resources of 247.1 million tonnes at 0.180% MoS<sub>2</sub>, for 587 million pounds of molybdenum content (RPA, 2018). The Project benefits from a 2008 Feasibility Study completed by Wardrop (now Tetra Tech), an Environmental and Social Impact Assessment (SRK, 2007) and had a previous exploitation license granted in 2009. In light of the recently completed engineering optimization and Greenland Resources ownership, the Company needs to update the EIA and SIA to obtain a new exploitation license. Once granted, exploitation licenses are valid for 30 years and can be renewed for an additional 20 years without the necessity of refiling permit applications.

Mr. Jim Steel, P.Geo., M.B.A., a Qualified Person under National Instrument 43-101 has reviewed and approved the technical information in this press release.

### **About Greenland Resources Inc.**

Greenland Resources is a Canadian reporting issuer regulated by the Ontario Securities Commission, focused on the acquisition, exploration and development of mineral properties in Greenland. With offices in Toronto, the Company is led by a management team with an extensive track record in the mining industry and capital markets. For further details, please refer to our web site ([www.greenlandresources.ca](http://www.greenlandresources.ca)) as well as our Canadian regulatory filings on Greenland Resources’ profile at [www.sedar.com](http://www.sedar.com).

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