

PRESS RELEASE 22-12

OCTOBER 31, 2022

## **GREENLAND RESOURCES ANNOUNCES PRIVATE PLACEMENT FINANCING**

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**TORONTO, ONTARIO - (October 31, 2022)** - Greenland Resources Inc. (“**Greenland Resources**” or the “**Company**”; NEO: MOLY | FSE: MOLY) is pleased to announce that it will be conducting a best efforts non-brokered private placement of up to 3,846,154 units of the Company (the “**Units**”) at a price of C\$0.52 per Unit (the “**Offering Price**”) for gross proceeds of up to C\$2,000,000 (the “**Offering**”). Each Unit will be comprised of one common share of the Company (a “**Common Share**”) and one half of one Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant shall be exercisable to acquire one Common Share (a “**Warrant Share**”) at a price of C\$0.70 per Warrant Share for a period of 24 months from the closing of the Offering. The Company intends to use the net proceeds from the Offering to advance capex and offtaking of its Malmbjerg Molybdenum Project (the “**Project**”) in Greenland and for general corporate and working capital purposes

The Project is a Climax type open pit primary molybdenum operation with an environmentally friendly mine design focused on reduced CO<sub>2</sub> emissions and water usage. The Project benefits from a NI 43-101 Definitive Feasibility Study completed by Tetra Tech in 2022, which concluded an expected Base case after-tax IRR of 22.4%, NPV6% of US\$1.17 billion and a Levered pre-tax IRR of 40.4%, after tax IRR of 33.8% and payback of 2.4 years. Based on the Definitive Feasibility Study, the Project has the potential to supply approximately 23% of the European Union (the “**EU**”) molybdenum demand for an estimated twenty years. The EU is the second largest user of molybdenum worldwide and has no production of its own. The Project is sponsored by the European Raw Material Alliance, a EU body responsible to secure critical minerals and strategic project for the EU Green Deal.

The securities to be issued under the Offering will be offered by way of private placement in each of the provinces and territories of Canada and such other jurisdictions as may be determined by the Company, in each case, pursuant to applicable exemptions from the prospectus requirements under applicable securities laws. Closing of the Offering (the “**Closing**”) is anticipated to occur on or around November 10, 2022 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals including the approval of the NEO Exchange. The Units to be issued under the Offering will have a standard hold period of four months and one day from Closing.

### **Qualified Person Statement**

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 public company with the Ontario Securities Commission as its principal regulator and is focused on the development of its 100% owned world-class Climax type pure molybdenum deposit located in central east Greenland. The Malmbjerg molybdenum project is an open pit operation with an environmentally friendly mine design focused on reduced CO<sub>2</sub> emissions and water usage, with Proven and Probable Reserves of 245 million tonnes at 0.176% MoS<sub>2</sub>, for 571 million pounds of contained molybdenum metal. The Malmbjerg project benefits from a NI 43-101 Definitive Feasibility Study completed by Tetra Tech in 2022 and had a previous exploitation license granted in 2009. 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)) and our Canadian regulatory filings on Greenland Resources’ profile at [www.sedar.com](http://www.sedar.com)

### **About Molybdenum and the European Union**

Molybdenum is a critical metal used mainly in steel and chemicals that is needed in all technologies in the upcoming

green energy transition (World Bank, 2020; IEA, 2021). When added to steel and cast iron, it enhances strength, hardenability, weldability, toughness, temperature strength, and corrosion resistance. Based on data from the International Molybdenum Association and the European Commission Steel Report, the world produced around 576 million pounds of molybdenum in 2021 where the European Union ("EU") as the second largest steel producer in the world used approximately 25% of global molybdenum supply and has no domestic molybdenum production. To a greater degree, the EU steel dependent industries like the automotive, construction, and engineering, represent around 18% of the EU's ≈ US\$16 trillion GDP. Greenland Resources strategically located Malmbjerg molybdenum project has the potential to supply in and for the EU approximately 25 million pounds per year, of environmentally friendly molybdenum from a responsible EU Associate country, for decades to come. The high quality of the Malmbjerg ore, having low impurity content, makes it an ideal source of molybdenum for the high-performance steel industry lead worldwide by Europe, specifically the Scandinavian countries and Germany.

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## Forward Looking Statements

### CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This news release contains "forward-looking information" (also referred to as "forward looking statements"), which relate to future events or future performance and reflect management's current expectations and assumptions. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "hopes", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. All statements, other than statements of historical fact, are forward-looking statements or information. Forward-looking statements or information in this news release relate to, among other things: the Company's objectives, goals or future plans, receipt of regulatory approvals, anticipated closing date and completion of the Offering, anticipated size of the Offering, the Offering Price, anticipated use of proceeds from the Offering, exploration results, potential mineralization, the estimation of mineral resources and reserves and their valuation, exploration and mine development plans, timing of the commencement of operations, estimates of market conditions, the Company's ability to supply molybdenum to the EU, the EU's future expected demand for molybdenum, the Company's ability to commercialize the project, and the Company's intentions regarding its objectives, goals or future plans and statements.

These forward-looking statements and information reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include: mineral reserve estimates and the assumptions upon which they are based, including geotechnical and metallurgical characteristics of rock confirming to sampled results and metallurgical performance; tonnage of ore to be mined and processed; ore grades and recoveries; assumptions and discount rates being appropriately applied to the technical studies; estimated valuation and probability of success of the Company's projects, including the Malmbjerg molybdenum project; prices for molybdenum remaining as estimated; currency exchange rates remaining as estimated; availability of funds for the Company's projects; capital decommissioning and

reclamation estimates; mineral reserve and resource estimates and the assumptions upon which they are based; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions; no unplanned delays or interruptions in scheduled construction and production; all necessary permits, licenses and regulatory approvals are received in a timely manner; the Offering proceeds as anticipated; all requisite regulatory and stock exchange approvals for the Offering are obtained in a timely fashion, if at all; reliance on finders and other third parties; investor participation in the Offering; anticipated use of proceeds from the Offering; the continued economic feasibility of the Company's current corporate social responsibility commitments; and the ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

The Company cautions the reader that forward-looking statements and information include known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this news release and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: an inability to complete the Offering on the terms or on the timeline as announced or at all; an inability to commercialize the Company's Malmbjerg Project; a change to the demand for molybdenum in the EU and elsewhere; the projected and actual effects of the COVID-19 pandemic or the conflict in Ukraine on the factors relevant to the business of the Corporation, including the effect on supply chains, labour market, currency and commodity prices and global and Canadian capital markets; fluctuations in molybdenum and commodity prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets (such as the Canadian dollar versus the U.S. dollar versus the Euro); operational risks and hazards inherent with the business of mining (including environmental accidents and hazards, industrial accidents, equipment breakdown, unusual or unexpected geological or structure formations, cave-ins, flooding and severe weather); inadequate insurance, or the inability to obtain insurance, to cover these risks and hazards; our ability to obtain all necessary permits, licenses, regulatory and stock exchange approvals in a timely manner; changes in laws, regulations and government practices in Greenland and Canada, including environmental, export and import laws and regulations; legal restrictions relating to mining; risks relating to expropriation; increased competition in the mining industry for equipment and qualified personnel; reallocation of proceeds from the Offering to cover unanticipated expenses; title matters; the relationship with local communities and its effects on the business of the Corporation; and the additional risks identified in our filings with Canadian securities regulators on SEDAR in Canada (available at [www.sedar.com](http://www.sedar.com)). Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Investors are cautioned against undue reliance on forward-looking statements or information.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction. These forward-looking statements are made as of the date hereof and, except as required by applicable securities regulations, the Company does not intend, and does not assume any obligation, to update the forward-looking information. Neither the NEO Exchange Inc. nor its regulation services provider accepts responsibility for the adequacy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.