JULY 2024
GREENLAND RESOURCES INC.

SUSTAINABILITY REPORT INPUT

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Dear Stakeholders,

Dr. Ruben Shiffman
Executive Chairman

We are pleased to share our first 2024 Sustainability Report which provides disclosure to investors, offtakers and stakeholders on our progress on environmental, social and governance (ESG) matters. Sustainability is an integral part of our business culture and of the people in Greenland. Ultimately, oversight of sustainability and our ESG performance is provided by our Board, assisted by our established Technical, Safety, Environmental and Social Responsibility Committee. We have taken a great deal of time and resources designing what we believe will be the most environmentally friendly molybdenum mine in the world. We benchmark against 9 applicable material topics and 51 subtopics identified in the European Sustainability Reporting Standards and other international sustainability standards like SFDR, IFC and SASB, and our performance, despite being a developing project, is higher than many producing molybdenum mines.

For example, our Scope 1+2 emissions are significantly lower than comparable mines as we haul our ore using a rope conveyor that transports our ore using gravity so there is no energy input nor CO_2 emissions. This saves the equivalent energy required for 40,000 houses. To further strengthen our climate change strategy, we recently concluded a pre-feasibility study for a green energy scenario on the use of wind energy and solar that could also power the entire east coast of Greenland. We build our infrastructure offshore and bring them in on barges and connect them onsite so there is low footprint of disturbance during construction and reclamation. The ore body is clean and has few deleterious elements so recent water quality prediction using saturated leach column testing show tailings depositions into our contained tailings management facility to be below water quality limits during the life of the mine.

There are no human settlements, hunters or people fishing in the project area nor the breeding areas. During 2024, we have been active supporting the nearby community of Ittoqqortoormiit located some 190 km to the southeast of the project where we have provided financial support for their upcoming 100-year anniversary and for the restoration of the museum, with the museum also planned to be used as school facilities for children. We have also included provisions for mining training and internet infrastructure. We also signed during 2024 an agreement with a world class leading Canadian arctic mining construction company owned 51% by the Canadian Inuit, that will be able to train the Greenland workforce in their local language.

This is the first year we published a Report on Sustainability, **we believe in profitability and economic wealth, but we are also driven by the belief that people have the power to effect change and improve the environment and quality of life now and for the future, the story of our Malmbjerg project is the story of change.**

1 Introduction

We are a Canadian reporting issuer regulated by the Ontario Securities Commission with an NI 43-101 Definitive feasibility Study (FS) based on an environmentally friendly mine design and are currently developing a mining operation on the east coast of Greenland, 1,652 miles from Rotterdam, for the extraction of Molybdenum and other potential metals like copper and magnesium.

As per the FS, the project is financially sound and current molybdenum prices are trading significantly above the FS prices. We signed numerous binding and non-binding long term agreements on offtakes directly with the largest metallurgical steel and chemical companies in Europe as well as with a European roaster. We also signed documentation with European mining equipment providers for a large part of our capex and received letters of intent to finance our capex from various AAA and AA credit rated export credit agencies and commercial banks.

In January 2024 we applied for an exploitation license under the new 2024 Mining Act and we recently received a positive assessment letter from the Greenland government and they expect to issue a draft exploitation license for our consideration within the next three months.

Due to our careful mine design and use of new technologies, the project ranks significantly lower than comparable mines in carbon emissions and we have a clear path to complete project decarbonization. Also, our recent water quality predictions using saturated leach column testing showed that the deposition of tailings in our contained tailings management facility will be significantly below Greenland, European and North American water quality guidelines.

On the social side and despite having no people leaving nor hunting nor fishing in the area, we received very positive support from stakeholders and communities in recent public consultation meetings and signed beyond legal obligations agreements to support the nearby communities financially which are around 185 km SW of our project. The project aims to provide new life skills for the people of Greenland. We signed an agreement with a Canadian civil construction company, the largest mining construction company in arctic world, and they are owned 51% by the Canadian Innuits who will be able to train the people in Greenland in their same language. Because of the magnitude of the project, it can create critical infrastructure on the east coast and has the potential to become the largest public revenue source in Greenland for decades to come.

Additionally, we expect to become the largest molybdenum supplier for the European Union (EU) with close to 25% of their needs. The EU is in fact, the second largest user of molybdenum worldwide and despite having self-sufficient molybdenum processing capacity and high-quality steel and chemical products that require molybdenum, they have no molybdenum mines. With China

dominating 45% of the world molybdenum market (primary and by-products) and primary molybdenum being less than 15% of the total world molybdenum production, the EU has only one western country currently supplying "primary" molybdenum, crucial for producing high-performance steels including military grade and advanced chemical products, sectors led worldwide by the EU.

1.1 Purpose of this report

We requested the Danish engineering firm COWI A/S to develop this Sustainability report with the aim to provide disclosure to our stakeholders on environmental, social and governance (ESG) matters and explain how we intend to monitor and improve its performance going forward.

The report was prepared using various technical and regulatory independent reports on our project (figure 3) considering relevant EU and international regulations and standards (figure 1) and structured around material topics based on Greenland Resources Inc (GRI) initial materiality assessment (Table 8 and 9 of the Appendix)

Overview of regulations and industry standards included in the screening

Regulations | Industry standard

	SFDR	EU Taxonomy	CSRD	IFC	SASB
Description	Requires financial market participants to disclose information about how they integrate ESG factors into their investment decision-making processes and how they manage sustainability risks.	Provides a common language to identify environmentally sustainable activities by defining criteria for determining whether an economic activity is environmentally sustainable.	Requires companies to report on ESG data and significant sustainability impacts, risks and opportunities. Includes very comprehensive reporting requirements (>1,000 data points).	Providing guidance on how to identify risks and impacts, and are designed to help avoid, mitigate, and manage risks and impacts as a way of doing business in a sustainable way. *(The 8 standards must be meet throughout the life of an investment by IFC.)*	Develops industry-specific sustainability accounting standards to help companies disclose financially material ESG information to investors.
Relevance to GRI	Used as base for identifying sustainability requirements from **GRI's investors.**	Used as inspiration to potentially adjust initiatives for relevant **GRI activities** notably for waste handling.	Used as base for identifying sustainability requirements from **GRI's customers** (focus on renewable energy industry).	Used as base for identifying risk and impacts from **GRI's activites.**	Used as base for identifying sustainability requirements specific for **GRI's industry (mining).**

Figure 1: Regulations and industry standard included in the screening

2 Our Sustainability journey

We are well on our way to strengthening our sustainability strategy further and ensuring compliance readiness toward transparency requirements of our stakeholders such as investors and customers.

First, a long list of topics has been compiled based on the European Sustainability Reporting Standard (ESRS) under the Corporate Sustainability Reporting rules (CSRD) reflecting our own and our customers reporting requirements. Also, the EU transparency framework on Sustainable Finance Disclosure Regulation (SFDR) was screened to reflect our investors reporting requirements.

In addition, key international and industry standards issued by the International Finance Corporation (IFC) and the US Sustainability Accounting Standards Board (SASB) were screened in tandem with peer sustainability reports to ensure coverage of all relevant topics.

As a result, the nine topics in figure 2 below and fifty-one subtopics stated in Table 8 and 9 in the appendix across Environmental, Social and Governance in accordance with the ESRS standards were identified as material for our company to report on and are described in further details in sections 3, 4 and 5.

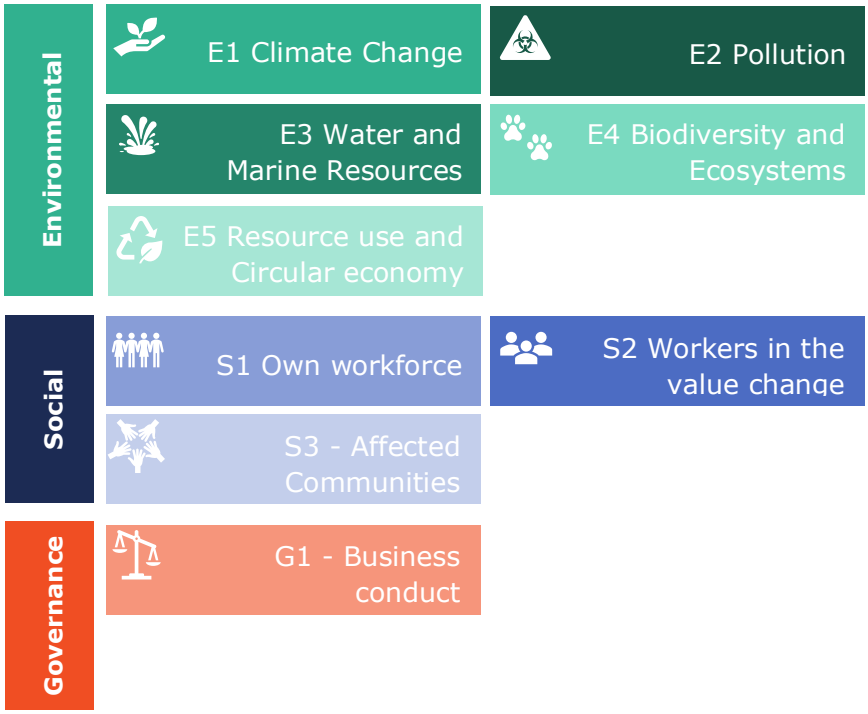


Figure 2: Topics on Environmental, social and governance

Second, the following technical and regulatory reports on our project related to Environmental, Social and Governance were identified (figure 3) serving as a basis for the gap analysis.

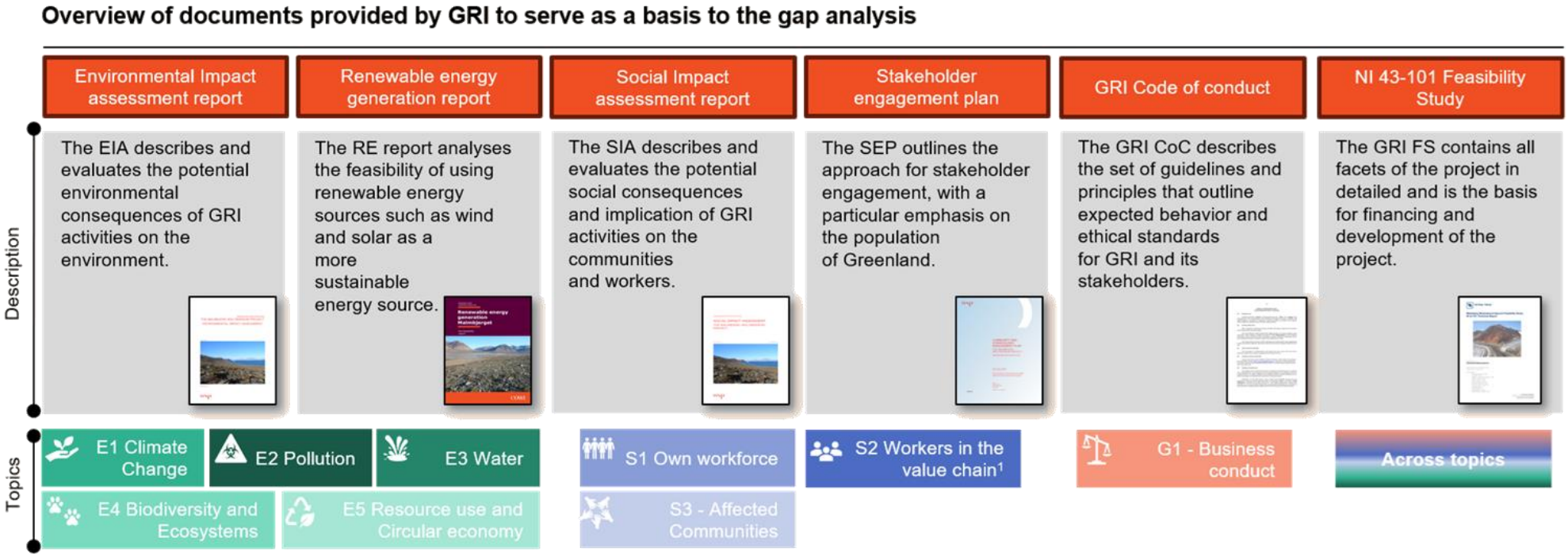


Figure 3: List of GRI reports addressing ESG topics

A gap analysis was prepared on the Company's sustainability performance vs the various identified material topics and subtopics of ESRS and other international sustainability standards. The conclusion of the gap analysis is that all 9 topics were covered and 70% of their data and policy disclosure requirements have been addressed with gaps mainly revolving around strengthening of existing policies, formulating new policies and ensuring data availability for some disclosure metrics. The Company is working on 13% of the remaining initiatives identified in the short and medium term while the rest ~17% will be able to be addressed once the mine is in production.

On Environmental, the top three environmental topics covered are "E1-Climate change", "E2-Pollution", and "E3-Water and marine resources" with the gaps largely related to policies and targets.

On Social, "S3-Affected communities" is addressed based on current project status, with the gaps largely related to describing processes to remediate negative impacts, should they occur.

On the nine environmental, social and governance standards, all nine material topics were included and addressed or partially addressed in this report in accordance with standards requirements and project status. Third and last, in order to ensure gaps are closed a list of 20 short, medium and long term initiatives were identified and prioritized serving as a base for our road map with recommendations toward full compliance; see figure 4.

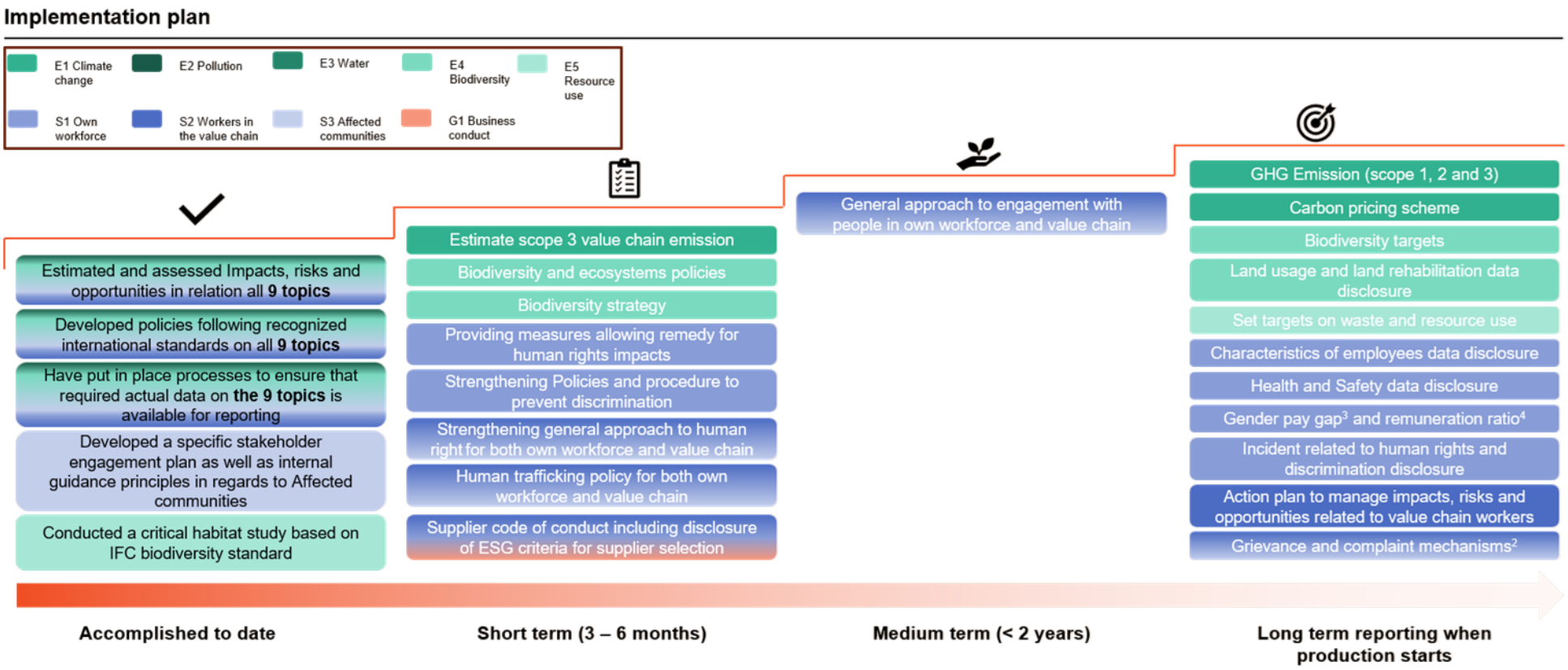
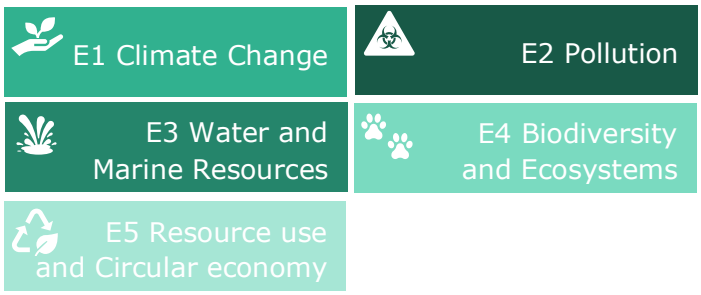
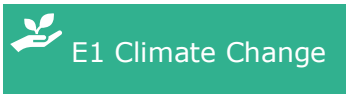


Figure 4: Road map to compliance

3 Environmental topics

The following are the five environmental topics referred to in figure 1 and were evaluated using GRI 2023 Environmental Impact Assessment.





3.1 Climate change

Our mine was designed to reduce energy consumption in a decarbonization strategy. We will use an aerial rope conveyor to transport 35,000 tons of ore per day from the mine site to the processing facility with no energy input, no CO_2 generation and no fossil fuels used. This saves approximately 50% of the total energy required to operate the mine. Gravity is effective in producing an electrical energy surplus via the rope conveyor motors which will also add to energy savings. Another 35% of energy can be obtained from wind and solar as per a recent pre-feasibility study, and the remaining 15% the Company is investigating alternative energy sources.

There are two scenarios that were estimated using GHG protocol for the scope 1 and 2 emissions for the project. An Optimized Fuel Scenario that uses the aerial rope conveyor and optimized energy efficient equipment but no wind and solar (no renewable energy) and a Green Power Scenario where the rope conveyor and renewable energy (RE) is fully implemented.

Since we self-produce our energy in both scenarios, only Scope 1 emissions are relevant since there will be no purchased electricity from the grid and scope 2 emissions are considered null.

The majority of GHG emissions emitted from the mine is due to diesel combustion from vehicles, equipment and on-site power generation. Scope 1 emissions of the mine include the following:

1. Mining operations
2. Vehicles and equipment usage
3. Power plant on site and smaller generators

The emissions of the mine are calculated as an average emission quantity per pound of Molybdenum produced for the first 10 years of operation. The mine is expected to run for 20 years, but it is within the first 10 years that 68% of the Molybdenum is extracted and 59% of the emissions from operation take place.

Scope 1 and 2 emissions for the optimized fuel scenario is 10.78 lbs. CO_2e/lb. contained Molybdenum metal production. This is 35% lower than the scope 1 and 2 emission of 16.50 lb. CO_2-eq/lb. contained Molybdenum metal production of existing primary molybdenum mines in the United States (cf. SEC/10K report).

Full implementation of the Green Power Scenario will result in scope 1 and 2 CO_2 equivalent emissions of 4.46 lb. CO_2-eq/lb. contained Molybdenum metal of GRI annual production. The emissions of scope 1 and 2 are thereby 73% lower than of the 16.50 lb. CO_2-eq/lb. contained Molybdenum metal production of existing primary molybdenum mines in the United States (cf. SEC/10K report).

Table 1: Scope 1 and 2 emissions of the Malmbjerg Primary Molybdenum Mine in the two scenarios. Both scenarios have significantly lower emissions than other Molybdenum mines.

Scenario	Scope 1 lb. CO_2-eq./lb. Mo	Scope 2 lb. CO_2-eq./lb. Mo	Pct. Lower than Scope 1 and 2 CO_2-eq emissions of US Mo mines
Optimized fuel scenario	10.78	0	35%
Green Power Scenario	4.46	0	73%

Initiatives

We are looking into additional ways to further lower GHG emissions, including carbon capture, storage technologies and green fuels and we are discussing with shipping companies that plan to start operations based on green fuels before we start production.

Although scope 3 emissions are not included in this report, we are focused on dealing with like-minded value chain suppliers that are concerned about the

environment. For example, we signed an agreement with a European roaster that has been taking significant measures towards decarbonization as well as a shipping companies in Scandinavia that announced maiden voyage of the world's first methanol-enabled container vessel.

E2 Pollution

3.2 Pollution

The negative impacts from pollution and the potential pollution risks and disturbances are present in four lifecycle phases of the mine:

1. Constructing the mine
2. Operations
3. Closure
4. Post-closure[1]

The associated risk assessment can be seen in the Table 2 below.

Table 2 Issues identified to be addressed in the EIA and the associated Risk Assessment

Phases	Elements	Pollution					Disturbance			
Project phase	**Project activity**	Air pollution/dust	Noise/vibration	Freshwater environment	Marine environment	Terrestrial environment	Physical environment	Freshwater environment	Marine environment	Terrestrial environment
Construction	Building of mine facilities on land	X	X	X	X	X	X	X		X
	Building of Mesters Vig		X		X	X	X	X	X	
	Shipping	X	X		X				X	
Operation	Pit mining	X	X	X		X	X			X
	Concentrator	X	X		X				X	X
	Ore transport		X		X				X	X
	Storage			X	X	X	X			X
	Shipping	X	X		X				X	
	Tailings placement	X			X	X	X		X	
	Accommodation	X	X		X	X	X			X

[1] EIA, page 98, 103

	Road transport	X	X	X	X					X
Closure	Dismantling	X	X	X	X	X	X		X	X
	Transport	X	X		X		X		X	X
Risk assessment	Shipping (oil spill)				X					
	Accidental oil spill				X					
	Fuel tank rupture				X	X				

We have implemented policies to manage the impacts, risks and opportunities related to pollution and disturbance of the environment and how we can mitigate the negative impacts of the project[2].

Air pollution

The Project's potential impacts with respect to air pollution has been assessed to be primarily gaseous air emissions which were assessed to be very low[3].

Freshwater pollution

The potential impacts from the project on the freshwater environment have been identified as: changes to surface water drainage patterns, potential leaching and from waste-rock and low-grade ore stockpiles and nutrient enrichment (eutrophication) from blasting and from sewage.

All three freshwater impacts were identified as a low or very low significance[4].

Marine environment pollution

The potential impacts from the project on the marine environment have been identified as the following:

1. Disturbance:

    a. Habitat loss from port facilities and tailings. The habitat loss from port facilities and tailings is assessed to be of medium significance with a long-term duration in the assessment area, where marine mammals such as narwhals and bowhead whales could be indirectly impacted. Seabird colonies may likely also be affected during the construction phase as there is a principal migration route south of the project.

[2] EIA, pages 50, 54, 58, 59, 98, 114, 121, 128
[3] EIA, page 105
[4] EIA, pages 140-143

b. Underwater noise from shipping and construction works e.g., port facilities and embankment is low. We will mitigate this impact by speed reduction of the ships within Kong Oscars Fjord.

c. The risk of introduction of invasive non-indigenous species is considered very low provided that the Project port follows the regulations. No additional mitigation measures are assessed to be necessary.

d. The suspension of sediment during construction of the embankment at Noret and dredging at port facilities is considered to have a low significance impact on the marine environment. We aiming to build modularized infrastructure offshore and bring them on barges, therefore low footprint disturbance during construction.

All 4 types of disturbances are identified as a Medium to very low significance[5].

Contamination:

e. The pollution from tailings deposition is assessed to have a possible medium significance on a regional scale, long-term. Previous environmental studies have shown that Malmbjerg tailings contain sulphides in excess of the neutralization potential and are therefore potentially acid generating[6]. To mitigate the risks of water pollution from tailings, the Malmbjerg Project and mine plan proposes the tailings to be deposited under a permanent water cover. The proposed design eliminates the potential for post-depositional sulphide oxidation and acid generation of the tailings.

The impact was identified as a Medium to low (with mitigation) significance[7].

We recently contracted an environmental water expert to conduct a work program that included the use of saturated columns of representative Malmbjerg tailing with the aim to generate geochemical source terms for tailing solutions and tailing porewaters to apply to seepage terms for the TMF embankment as well as inputs to water balance and water quality model for the TMF water cover. The results of the saturated column geochemical testing program derive in water quality predictions for the Noret Tailings Management Facility (TMF) throughout the water column for the life of mine. The TMF is a natural basin that is isolated from the ocean that we use as the contained TMF. The conclusions were that freshwater processing did not release metals into solution and TMF concentrations remain well below water guidelines during the life of mine. The recent column testing work described above was not incorporated in the

[5] EIA. Pages 145-148
[6] EIA, page 33
[7] EIA, page 150

2023 EIA and therefore we expect this will reduce the impact from tailings deposition possible medium to very low.

Mitigation

- tailing disposal and engineered containment are mitigation design elements to limit the potential impact from metal leaching and marine tailings dispersion.

Optimization objectives

- Geochemical modelling for construction, operation and closure phases to assess potential impacts to water quality in the marine environment and assessing the spatial extent of any potential impacts.
- Studies to determine bioavailability and mobilisation potential
- Environmental monitoring is implemented to facilitate an assessment of any impact on the marine environment

Initiatives

We will set up targets to track the effectiveness of the policies and actions to avoid pollution.

Furthermore, we are developing an Environmental Monitoring Program (EMP) required in Greenland before the mine goes into production, (Mineral Resources Authority, 2015) to monitor the effects of the project and the effectiveness of implemented mitigation measures.

The EMP will encompass all phases of the project (construction, operation, closure and post-closure) and identify any variances from predictions that occur and whether such variances require action, including any additional mitigation measures. The environmental monitoring plan will describe how all aspects relevant to environmental issues are monitored such as:

a) discharges/emissions to water and air, use and handling of fuel and chemicals, production and handling of waste rock and tailings.

b) concentrations of, for example, metals, nutrients and chemicals and their effects on the environment, including accumulation of heavy metals in sediment and indicator species and disturbance of wildlife.

The EMP will be a data management tool that helps us identify trends and patterns to predict the future environmental impacts and developments.

E3 Water and Marine Resources

3.3 Water and marine resources

Freshwater supply

The water demand at the Mine Site consists of fresh water, mainly for potable water use and water for firefighting and for processing the ore. Besides limited water use for dust control there will be no use of water in the mining activities as mining is performed dry[8]. The estimated consumption of fresh water at the Mine Site and the Port Site is presented in Table 3.

Table 3 Estimated Industrial Fresh/Domestic Water Consumption[9].

Area		Source	M^3/day
Mine Site	Domestic	Accommodation and Administration	600
	Industrial	Shops and warehouses	200
	Industrial	Dust Control	200
Port Site	Domestic	Accommodation and Administration	800
	Industrial	Shops and warehouses	500
	Industrial	Dust Control	300

Process water supply

Our process water plan has been designed as a zero environmental harm operation as all process water will be recycled and not discharged to the environment.

Sewage will be collected and pumped to the Rotating Biological Contactor sewage treatment unit. The Rotating Biological Contactor process allows the wastewater to come in contact with a biological film in order to remove pollutants in the wastewater before discharge of the treated wastewater into the environment in accordance with all applicable government requirements. Sewage sludge will be incinerated.

Table 4 Estimated sewage generation.

Area	Source	M^3/day
Mine Site	Accommodation & Administration	600
	Shops and warehouses	200
Port Site		
	Accommodation & Administration	800
	Concentrator	200
	Shops & warehouses	500

Initiatives

The Malmbjerg ore body has very few potentially deleterious and column leaching and water balance testing showed tailings disposal to the enclosed TMF significantly below guidelines. However, we continue to monitor the TMF to

[8] EIA, page 28
[9] EIA, page 29

comply with policies that address the prevention and abatement of water pollution, water treatment, and the commitment to reduce water consumption.

We are continuously reviewing technology and innovation to establish further actions and to be able to track the effectiveness of the policies and actions through targets. Local ecological thresholds and entity-specific allocation will be taken into consideration when setting the water and marine resources targets. The targets will relate to reduction of water withdrawals and reduction of water discharges.

E4 Biodiversity and Ecosystems

3.4 Biodiversity and ecosystems

We focus on protecting the natural environment, which is expected by our stakeholders and society. We seek to improve the footprint of our operations and to protect, restore and enhance the natural environment over the lifetime of the mine.

Our approach is to help nature by protecting and restoring it, while investing in nature-based solutions to mitigate our impacts, by looking at the entire ecosystem and understanding the interconnecting relationships of the flora and fauna, as well as the air, water, land, and the people.

Habitat destruction, leading to the loss of biodiversity and the potential loss of local flora and fauna, are key risks in any mining operation.

Therefore, we investigated the flora and fauna of the site to better understand how the mining activities would affect biodiversity and how to minimize any potential impacts. There is also extensive historical data available on flora and fauna in the area that has been included in the baseline for terrestrial ecosystems. The project area is situated within the limits of the National Park, in the transition zone between the high arctic and the low arctic habitats and is not situated in protected areas such as Ramsar, UNESCO, no go areas or breeding colonies[8]. Additionally, there is no fishing nor hunting in the project area and the closest settlement is Ittoqqortoormiit, with 353 inhabitants, located about 185 km southeast of the Malmbjerg Project. More than 70% of the project area is either snow, ice, bare ground or very sparsely vegetated. Several types of dwarf shrub heaths dominate the dry areas, while fens and grassland dominate the lower wet areas.

We design the location of the infrastructure in non-vegetated areas including being as far as possible including vegetation types like herb slopes that occupy only a small percentage area[10].

[9] EIA p. 75

To minimize vegetation damage from driving and construction activities as much as possible, an overview of the key factors for vegetation damages has been made; see 5.

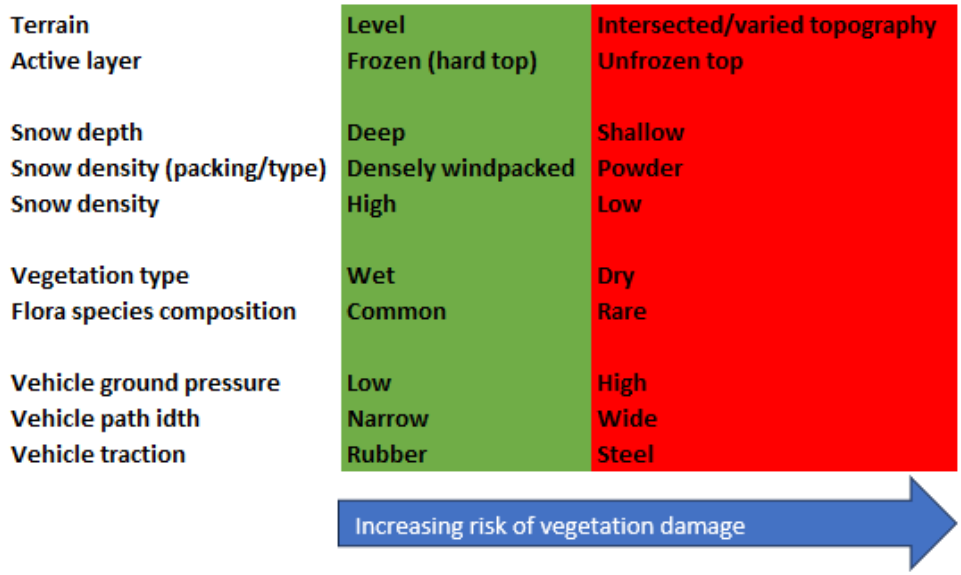


Figure 5 Key factors for vegetation damages from physical activities such as drilling, seismic surveys or driving in the terrain. The green column signifies factors leading to a lower risk of vegetation damages, and the red column is factors leading to a higher risk of vegetation damages and more significant or permanent changes.

The key factors of vegetation damages from Figure 5 will be implemented to decrease the impacts from vehicles on the site under the different conditions.

The species of terrestrial mammals commonly observed in the project area include muskoxen, Arctic hares, Arctic foxes, and collared lemmings. However the planned mining activities do not conflict with breeding and known hibernation areas. Arctic wolves and stoats are rare[11].

To protect the fauna and flora as best as possible, we have implemented fauna and flora protection areas. We prioritize larger areas that include the specific core areas for species or special nature types. These designated areas will be given special attention in relation to human activities like mineral exploitation, tourism, and hunting.

Initiatives

We have compiled baseline information for terrestrial ecosystems and rare plant and lichen species. Further works are being implemented as the project progresses and includes biodiversity terrains through additional policies, targets,

[10] EIA page 83

risk assessment and a Critical habitat study that identifies and analyzes areas essential for the survival and recovery of endangered or threatened species.

Further work is being developed on biodiversity strategy setting targets using international standards such as Science Based Targets for Nature (SBTN) and the Task force on Nature-related Financial Disclosure (TNFD). Also, we are working on biodiversity and ecosystem protection policies covering operational sites in or near protected area. Biodiversity offsets will become part of a transition plan. We are also implementing policies to monitor and report biodiversity status and gains or losses will be addressed and disclosed.

We will limit procurement from suppliers that cannot demonstrate that they are not contributing to significant conversion of protected areas and key biodiversity areas. We aim to deal with like-minded value chain suppliers and buyers that abide by international standards.

E5 Resource use and Circular economy

3.5 Resource use and circular economy

A circular economy reduces material use, redesigns materials and products to be less resource intensive, and recaptures "waste" as a resource to manufacture new materials and products. This section includes how we manage waste and how it will include the circular economy as a part of our business model.

Non-hazardous waste will be segregated into the following two streams:

1. Putrescible kitchen wastes – organic food wastes from kitchen facilities will be segregated and burned daily in on-site incinerators to help limit wildlife attraction associated with disposal of food wastes.

2. Non-putrescible waste – all other non-hazardous, inorganic garbage will be collected and disposed of within an on-site landfill to be located in a suitable area that drains by gravity into the tailings impoundment. Non-hazardous garbage placed within this landfill will be periodically buried under a layer of soil or Non-Potentially Acid Generating (NPAG) waste rock to prevent loss of garbage through wind action and to control drainage.

As part of the overall plant design, all hazardous wastes outside of tailings and waste rock will be segregated at the point of generation, placed into appropriate storage containers, and shipped off site to an appropriate recycling or disposal facility.

Specific hazardous waste handling protocols are as follows in table 5.

Table 5 Waste handling by type of waste

Waste type	*Description*
Waste oil	Waste oil from heavy equipment and stationary milling equipment will be transferred to a waste oil storage tank to be located within the lubrication storage facility. The waste oil will be filtered and burned in a packaged waste oil burner unit to generate supplemental heating for the truck maintenance shop in the winter months. Any excess waste oil not consumed in this manner will be shipped off site for recycling using a licensed waste oil disposal firm. Every attempt will be made to dispose of waste oil on site as a supplemental heat supply.
Antifreeze, solvent and grease	This waste will be collected and stored in appropriate drums for regular shipment off site to a licensed recycle or disposal facility
Batteries	Waste vehicle batteries will be collected and placed on pallets for regular shipment off site for disposal at a battery recycling facility.
Tires	Old tires will be collected and used on site to provide vehicle protection barriers.
Hydrocarbon and contaminated soil	Landfarm will be constructed utilizing bioremediation to treat petroleum contaminated soil that may accrue during the mine's operational life. Soils will be routinely turned over and sampled until it can be demonstrated that the hydrocarbon contamination has been reduced to acceptable standards. Clean soils will be stockpiled for use in progressive reclamation projects. Water collected within the landfarm will be run through an oil-water separator, with the clean water discharged into the tailing's impoundment

Initiatives

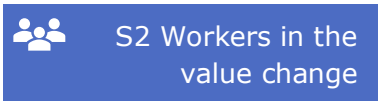
With a full awareness of the increasing importance of circular economy globally and the EU in particular, we are already focusing on how to minimize waste in production, reusing resources when possible and drawing a maximum value from the mined minerals aligning with circularity principles of reuse and recycling of resources and waste. Just like we recycle processing water, new

technologies will allow us to implement circularity initiatives into our business model before we go into production.

4 Social topics

We concluded a Social Impact Assessment dated 2nd April 2024 (SIA) that describes and evaluates socio-economic impacts of our activities and a Community and Stakeholder engagement plan dated 5th January 2024 that describes our work with the affected communities in Greenland.

The topics that were covered are:



4.1 Own workforce

We believe that the project should utilise as many local people and stakeholders as possible. The personnel required for the project can be divided into the phases of:

- Construction and predevelopment
- Operations
- Closure

The personnel are divided between the workforce at the mine site and staff in support or administrative functions.

Table 6 Number of employees by project phase and type.

Phase	Workforce at mine site	Support/admin. staff	Total
Construction and predevelopment	500 personnel	75 personnel	575 personnel
Operations	167 personnel	15 personnel	182 personnel
Closure and decommissioning	30 personnel	3 personnel	35 personnel

We expect to operate the mine year-round. The mine will be operated in two 12-hours shifts per day, and in a 2-week rotation schedule. Personnel will work 2 weeks on site, and then have 2 weeks off.

We will ensure that we comply with the Greenland Working Environment Act and observe the current regulations for rest periods and days off and will engage in dialogue with the relevant labor union SIK (Sulinermik Inuussutissarsiuteqartut Kattuffiat) about any agreements regarding this issue. Personnel will be transported directly to the project site with chartered flights. Due to shift rotation, only one-quarter of personnel will be on shift at a given time.

It is important for us to maximize the number of Greenlandic employees. This will be done by educating, training and broadly increasing the qualification level of employees[12]. To increase Greenlandic involvement, we will offer on-site training and up-skilling for workers and collaborate with the educational institutions in Greenland. We also rely on the world-class Canadian civil construction company we signed documentation with that is owned 51% by the Canadian Innuits and will be able to train people in Greenland in their own language.

Our team has a significant track record in previous public companies with mining projects where we integrated a local community giving them ownership, representation on the board of the company and labour. The result was that the community gained skills in modern mining techniques and became wealthy after the project was acquired by a major international firm mining company in a public transaction.

Safety is at the core of our company values. Therefore, it is essential to nurture a strong safety mentality and standards within the site. Our management will ensure that all regulations and mine standards are closely linked to the daily tasks of the workforce and explained in standard operating procedures. We will ensure that the workforce is closely involved and engaged in health, safety and environment issues to develop a sense of ownership. We will also ensure that the necessary health and safety training and regular refresher training is implemented at all levels, ensuring that safety becomes part of the mine culture[13]. Honest reporting and prompt corrective action within the group will always be rewarded.

Regarding health care, the licensed area lies outside the municipality divisions, and far from year-round housing. A first aid post will be located at the accommodation camp and at the truck shop complex. At the accommodation camp a full-time nurse will be in attendance. Patients requiring evacuation will be flown by medivac helicopter to the nearest hospital or healthcare center depending on the need. We will make sure that all employees are covered by required insurance.

[12] SIA p. 4, 18 and 20
[13] SIA p. 27

Initiatives

We are always looking into further straightening our Human Right policies for both their own workforce and the workers in their value chain by describing the approach and showcasing how it aligns with international instruments such as the UN Guiding Principles on Business and Human Rights, the ILO declaration on fundamental principles and rights at works, the United Nations' Declaration of Indigenous Peoples' Rights and the OECD Guidelines for multinational enterprises. Furthermore, Greenland has a very high income per capita and very mature policies addressing human trafficking related to employees and value chain workers. Being a Canadian public company, we comply with Canadian legislation related to human trafficking and disclose any deviations and impacts.

In relation to employee engagement, most employees in Greenland are unionized and have standard employee agreements with high income per capita of around US$4,380 per month[14] and standards, consistent with the Scandinavian countries. Canadian employees will comply with Canadian labour rules, and full disclosure and communication is a Canadian regulatory obligation.

S2 Workers in the value change

4.2 Workers in the value chain

We are currently considering the datapoints related to workers in our value chain. Policies are being assessed to include processes to remediate potential negative impacts aligned with relevant internationally recognized instruments such as UN Guiding Principles on Business and Human rights and will provide communication channels for value chain workers to raise concerns. Additionally, a supplier code of conduct is planned and will include ESG requirements for suppliers to comply with.

S3 - Affected Communities

4.3 Affected communities

There are no settlements nor hunters nor people fishing in the project area. Ittoqqortoormiit is the closest settlement with a population of about 350 people speaking iivi oraasia (eastern Greenlandic dialect) located about 185 km south-east of the Malmberg Project. In combination with Tasiilaq approximately 900 km south of Ittoqqortoormiit, almost 3,000 people in Greenland speak iivi oraasia. To make sure we cover the effect of the project in the communities, we have developed the CSE plan[15] and a Declaration of Principles that cover: health

[14] SIA, page 67
[15] CSE p. 7 and 44

and safety of employees and nearby communities; ongoing dialogue and engagement with a wide range of stakeholders, always maintaining a spirit of transparency and good faith. we vigilantly work to protect the environment and seek out ways to minimize our ecological footprint. Our activities are in accordance with accepted standards related to the protection of human rights; we recognize that each community is unique and respect their cultural and historical perspectives, as well as the rights of persons affected by the company's operations; we aim to provide labor, commercial and economic opportunities for local communities based on both existing operations and support projects in the communities; we work in a consultative manner with community members; we maintain high corporate governance standards, ethics, and honor in all relationships.

Initiatives

We have prepared a community engagement plan and have had numerous stakeholder meetings both in Ittoqqortoormiit and online. Stakeholders participating in the meetings included the hunters' and fishermen's association, local politicians, the local business council, and the Arctic Command in Nuuk. We have also signed two agreements with the communities and municipality to help them financially in various community initiatives that will benefit children's education, improve the local museum and more[16].

While our policies will be in place to manage impacts, risk and opportunities related to affected communities, they will be strengthened by describing how our involvement and participation in industry or multi-stakeholder initiatives is aiming to address potential impacts on affected communities.

[16] GRI Press release, 28 June 2023

5 Governance topics

G1 - Business conduct

5.1 Business conduct

Our Code of Business Conduct and Ethics is accessible on our website[17].

Our Code of conduct helps ensure that the workforce understands behavioral expectations and has the tools necessary to comply. It is the role of the Board to seek to monitor and ensure compliance with the guidelines set out in this Code, including compliance in all material respects. Anti-corruption is of an ongoing attention for GRI.

Reporting of illegal behavior is one of the cornerstones in the Code of Conduct. Therefore, any concerns or complaints concerning illegal behavior may be reported in accordance with the procedures outlined in our Whistleblower Policy. The Whistleblower Policy provides procedures by which representatives may make confidential and anonymous submissions regarding illegal behavior or questionable accounting, internal accounting controls or auditing related matters involving the Company.

Initiatives

In the coming phase of the project, we will disclosure on how social and environmental criteria are considered for selection of supply-side contractual partners, together with information about representatives responsible in administrative, management and supervisory bodies for oversight of political influence and lobbying activities.

[17] GRI Code of Ethics

6 Appendix

Table 7 and 8 below shows the list of topics and subtopics that were selected as material as a result of our initial materiality assessment based on internationally recognized standards, peer benchmarking and Subject Matter Expert (SME) consultation.

Table 7. Material environmental topics and subtopics

E1 Climate Change	E2 Pollution	E3 Water and marine res.	E4 Biodiversity	E5 Resource use
Transition plan for climate change	Policies related to pollution	Policies related to water and marine resources	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Policies related to resource use and circular economy
Policies related to climate mitigation and adaptation	Actions and resources related to pollution metrics and targets	Actions and resources related to water and marine resources	Policies related to biodiversity and ecosystems	Actions and resources related to resource use and circular economy Metrics and targets
Actions and resources in relation to policies	Targets related to pollution	Targets related to water and marine resources	Actions and resources related to biodiversity and ecosystems	Targets related to resource use and circular economy ecosystems
Targets related to climate mitigation and adaptation	Pollution of air, water and soil	Water consumption	Targets related to biodiversity and ecosystems	Resource inflows
Energy consumption and mix	Substances of concern and substances of very high concern		Impact metrics related to biodiversity and ecosystems change	Resource outflows
Scopes 1, 2, 3 and Total GHG emissions				
Carbon pricing				
Anticipated financial effects				

Table 8. Material social and governance topics and subtopics

S1 Own workforce	S2 Workers in the value chain	S3 Affected communities	G1 Business conduct
Policies to own workforce	Policies related to value chain workers	Policies related to affected communities	Corporate culture and business conduct policies
Engaging with workers and their rep.	Processes for engaging with value chain workers about impacts	Processes for engaging with affected communities about impacts	Management of relationships with suppliers
Processes to remediate negative impacts	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Processes to remediate negative impacts and channels for affected communities to raise concerns	Prevention and detection of corruption and bribery
Characteristics	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Political influence and lobbying activities
Collective bargaining coverage and social dialogue	Policies related to value chain workers	Policies related to affected communities	Corporate culture and business conduct policies
Diversity metrics			
Adequate wages			
Persons with disabilities			

Training and skills			
Health and safety			
Compensation			
Incidents, complaints and severe human rights impacts			

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N. Bianco, M.Pol.Sci. (Greenland)
L. Asper , LLB, JD (Canada)

Board of Advisors

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B. Tobin (Canada)
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Dislcaimer

This sustainability report 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 sustainability report relate to, among other things: the Company's objectives, goals or future plans; planned capex financing and outcomes of due diligence reviews; construction and engineering initiatives for the Malmbjerg molybdenum project; statements, 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 and estimates of market conditions.

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 sustainability report and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: the favourable results of the SIA (Social Impact Assessment) and EIA (Environmental Impact Assessment); favourable local community support for the Project's development; the projected demand for molybdenum both in the EU and elsewhere, including by companies that expressed an interest in purchasing molybdenum; the current initiatives and programs for resource development in the EU and abroad; the projected and actual status of supply chains, labour market, currency and commodity prices interest rates and inflation; the projected and actual status of the 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 and regulatory approvals in a timely manner; changes in laws, regulations and government practices in Greenland, 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; the availability of additional capital; title matters and the additional risks identified in our filings with Canadian securities regulators on SEDAR+ in Canada (available at www.sedarplus.ca). 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. 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 Cboe Canada Exchange nor its regulation services provider accepts responsibility for the adequacy of this sustainability report. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.