

NEWS RELEASE 29 APRIL 2022

Quarterly Activities Report March 2022

HIGHLIGHTS

- New copper targets identified at Arctic Rift Copper Project in Greenland (**ARC** or **Project**) from ongoing geological analysis.
 - Latest analysis identifies new “walk-up” native copper and copper sulphide targets for upcoming field program.
 - New priority, walk-up, at-surface target identified along the Knuth Fault which is a Discovery Zone “lookalike” feature.
 - Two additional exposures of native copper mineralisation identified from recently unearthed historical documentation at Neergaard Dal.
- Company is preparing for its maiden exploration program on the ground at ARC which will commence in the June quarter.
- Completion of Entitlements Issue to fund new and current activities announced concurrently with ARC earn-in. Following interest from investors in the UK and Europe, GreenX raised gross proceeds of A\$4.5 million.
- International arbitration claims against the Republic of Poland under both the Energy Charter Treaty and the Australia-Poland Bilateral Investment Treaty continue at pace.
- Cash balance at 31 March 2022 of A\$5.7 million to fund activities at ARC plus A\$9.4 million available to continue pursuing GreenX’s dispute against the Republic of Poland.

GreenX Metals Limited (ASX:GRX, LSE:GRX) (**GreenX** or **the Company**) is pleased to present its Quarterly Activities Report for the period during and subsequent to 31 March 2022.

ARC PROJECT SUMMARY

In October 2021, GreenX entered into an Earn-in Agreement (**EIA**) with Greenfields Exploration Limited (**GEX**) to acquire an interest of up to 80% in ARC.

ARC is an exploration joint venture between GreenX and GEX. GreenX can earn 80% of ARC by spending A\$10 million by October 2026. ARC is targeting large scale copper in multiple settings across a 5,774 km² Special Exploration Licence in eastern North Greenland. The area has been historically underexplored yet is prospective for copper, forming part of the newly identified Kiffaangissuseq metallogenic province.

GreenX and GEX consider the observed geological setting and features of ARC to be indicative of an extensive mineral system capable of hosting world-class copper deposits.

The large scale of the mineral system, widespread copper anomalism, combined with dual mineralising events are analogous to the largest copper systems known worldwide. Accordingly, GreenX considers that ARC has the potential to be a globally significant metallogenic province.

STRUCTURAL GEOLOGY REVIEW

In January 2022, GreenX announced that new copper targets had been identified at ARC following ongoing geological analysis. Latest analysis identifies new “walk-up” native copper and copper sulphide targets for the upcoming field program. A new priority, walk-up, at-surface target was identified along the Knuth Fault which is a Discovery Zone “lookalike” feature. Further, two additional exposures of native copper mineralisation were identified from recently unearthed historical documentation at Neergaard Dal.

A structural review of the currently available datasets of ARC’s geology was conducted by specialist consultant Dr Mark Munro¹ and confirmed that the known copper mineralisation including the native copper and Discovery Zone copper sulphides, is associated with reverse faults. Reverse faults are considered to be an important structural control on mineralisation at ARC, with the recent study both extending the known reverse faults with associated mineralisation and identifying new reverse faults (Figure 1).

The review reinforces evidence of a large-scale mineral system and regional fertility related to identified faults and therefore exploration targeting, and efficiency of upcoming field programs can be greatly improved through enhanced geological understanding of ARC.

ARC MAIDEN EXPLORATION PROGRAM

In the June quarter, the Company will commence its maiden exploration programme at ARC. GEX are currently preparing to travel to Greenland to initially complete:

- Widespread geochemical sampling.
- Sampling and analysis of the already identified walk-up targets, including the Discovery Zone
- Passive seismic over the Minik Anomaly and 3D induced polarisation (**IP**) surveys.
- High-resolution satellite mapping and the re-analysis of historical samples and magnetic data to create an ARC 3D model.

¹ Munro, Mark (2021). “*Structural Review of the Arctic Rift Copper Project, Greenland*”, Munro Geoscience Pty Ltd

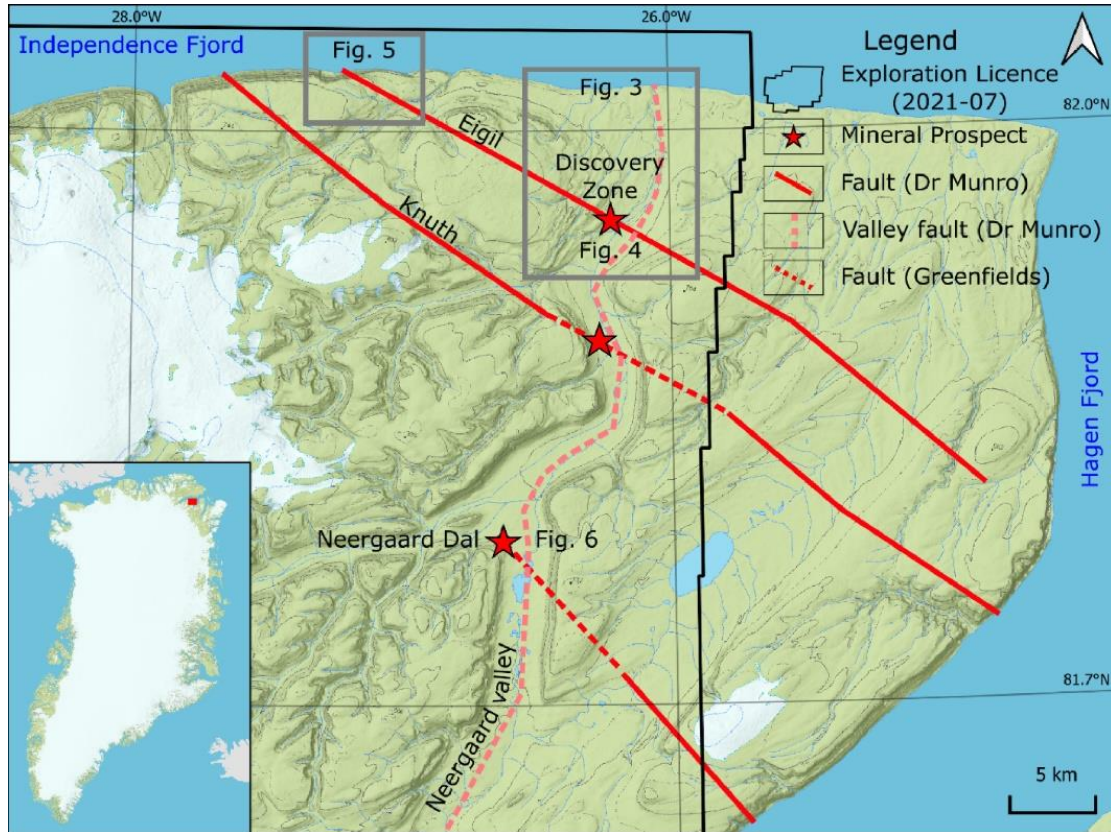


Figure 1: Significant reverse faults identified within ARC (Note: while reverse motion is constrained, the lateral/strike-slip motion is uncertain)

CORPORATE

Entitlements Issue & Shortfall Offer

Following significant interest from potential new investors in the UK and Europe, the Company completed the Entitlements issue to raise total gross proceeds of A\$4.5m.

Financial Position

As at 31 March 2022, GreenX had A\$5.7 million cash available plus A\$9.4 million available to pursue its dispute against the Republic of Poland.

DISPUTE WITH POLISH GOVERNMENT

The Company's international arbitration claims (**Claim**) against the Republic of Poland is being prosecuted through an established and enforceable legal framework, with GreenX and Poland agreeing to apply the United Nations Commission on International Trade Law Rules (**UNCITRAL**) rules to the proceedings.

Both the Australia-Poland Bilateral Investment Treaty (**BIT**) and Energy Charter Treaty (**ECT**) claim Tribunals have been constituted, with both Claim's being registered with the Permanent Court of Arbitration in the Hague. The BIT and ECT claim proceedings proceed at pace, with the Company now having filed a Claim for compensation against Poland with the Tribunal in the amount of £806 million (A\$1.5 billion / PLN 4.2 billion), which includes an assessment of the value of GreenX's lost profits and damages related to both the Jan Karski mine and Debiensko mines, and accrued interest related to any damages. The Claim for damages has been assessed by external quantum experts appointed by GreenX specifically for the purposes of the Claim.

In July 2020, the Company announced it had executed a Litigation Funding Agreement for US\$12.3 million with Litigation Capital Management. The facility is currently being drawn down to cover legal, tribunal and external expert costs and defined operating expenses associated with the Claim.

In September 2020, GreenX announced that it had formally commenced with the Claim by serving the Notices of Arbitration against the Republic of Poland.

GreenX's dispute alleges that the Republic of Poland has breached its obligations under the applicable Treaties through its actions to block the development of the Company's Jan Karski and Debiensko mines in Poland which effectively deprives GreenX of the entire value of its investments in Poland.

In February 2019, GreenX formally notified the Polish Government that there exists an investment dispute between GreenX and the Polish Government. GreenX's notification called for prompt negotiations with the Government to amicably resolve the dispute and indicated GreenX's right to submit the dispute to international arbitration in the event of the dispute not being resolved amicably. The Company remains open to resolving the dispute with the Polish Government amicably. However, as of the date of this report, no amicable resolution of the dispute has occurred, since the Polish Government has declined to participate in discussions related to the dispute and accordingly the Company has formerly submitted its Claim as discussed above.

GreenX's investment dispute with the Republic of Poland is not unique, with international media widely reporting that the political environment and investment climate in Poland has deteriorated since the change in Government in 2015. As a result, there are a significant number of International Arbitration claims being brought against Poland in the natural resources and energy sectors with damages claims ranging from US\$120 million to over US\$1.3 billion and includes Bluegas NRG Holding (Gas), Lumina Copper (Copper) and InvEnergy (wind farms).

Forward Looking Statements

This release may include forward-looking statements. These forward-looking statements are based on GreenX's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of GreenX, which could cause actual results to differ materially from such statements. GreenX makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.

Competent Persons Statement

The information in this announcement that relates to Exploration Results for ARC is extracted from the ASX announcements dated 6 October 2021 and 22 January 2022. Which are available to view at www.greenxmetals.com.

GreenX confirms that (a) it is not aware of any new information or data that materially affects the information included in the original announcements; (b) all material assumptions and technical parameters underpinning the content in the relevant announcements continue to apply and have not materially changed; and (c) the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

This announcement has been authorised for release by the Company's Chief Executive Officer, Mr Ben Stoikovich.

APPENDIX 1: TENEMENT INFORMATION

As at 31 March 2022, the Company has an interest in the following tenements:

| Location | Tenement | Percentage Interest | Status | Tenement Type |
|--------------------|--|---------------------|-------------------------|--|
| Greenland | Arctic Rift Copper Project (Licence No. 2021-07 MEL-S) | - ¹ | Granted | Exploration Licence |
| Jan Karski, Poland | Jan Karski Mine Plan Area (K-4-5, K6-7, K-8 and K-9) ² | 100 | In dispute ² | Exclusive Right to apply for a mining concession |
| Debiensko, Poland | Debiensko 1 | 100 | Granted ² | Mining |
| Debiensko, Poland | Kaczyce 1 | 100 | Granted | Mining & Exploration (includes gas rights) |

Notes:

¹ In October 2021, the Company announced that it had entered into the EIA with GEX to acquire an interest of up to 80% in ARC. As at the date of this announcement, the Company held no beneficial interest in ARC, other than through the EIA.

² GreenX commenced international arbitration claims against the Republic of Poland under both the ECT and the BIT. GreenX alleges that the Republic of Poland has breached its obligations under the Treaties through its actions to block the development of the Company's Jan Karski and Debiensko mines in Poland.

APPENDIX 2: RELATED PARTY PAYMENTS

During the quarter ended 31 March 2022, the Company made payments of \$212,000 to related parties and their associates. These payments relate to existing remuneration arrangements (director fees, consulting fees and superannuation of (\$132,000) and the provision of a serviced office and company secretarial and administration services (\$80,000).

APPENDIX 3: EXPLORATION AND MINING EXPENDITURE

During the quarter ended 31 March 2022, the Company made the following payments in relation to exploration activities:

| Activity | \$000 |
|---|------------|
| Greenland (ARC) | |
| Project Management | 163 |
| Geochem and imagery | 8 |
| Other (field supplies, travel, fuel, satellite imagery, etc) | 248 |
| Greenland sub-total as reported in the Appendix 5B (item 2.1(d)) | 419 |
| Poland | |
| Legal and permitting related expenditure | 91 |
| Consultants – technical and Debiensko statutory operations personnel | 87 |
| Other | 79 |
| Poland sub-total as reported in the Appendix 5B (item 1.2(a)) | 257 |
| Total | 676 |

There were no mining or production activities and expenses incurred during the quarter ended 31 March 2022.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GreenX Metals Limited

ABN

23 008 677 852

Quarter ended ("current quarter")

31 March 2022

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (257)* | (781)* |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (175) | (516) |
| | (e) administration and corporate costs | (449) | (1,052) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 5 | 14 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (provide details if material) | | |
| | (a) Business Development | (17) | (125) |
| | (b) Property rental and gas sales | 77 | 169 |
| | (c) Arbitration related expenses | (501) | (1,242) |
| | (d) Receipt of arbitration funding | 240 | 1,178 |
| 1.9 | Net cash from / (used in) operating activities | (1,077) | (2,355) |
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) Entities | - | - |
| | (b) Tenements | - | (30) |
| | (c) property, plant and equipment | (296) | (543) |
| | (d) exploration & evaluation | (419) | (805) |

*Includes legal and permitting expenditure and payments made to consultants (Debiensko technical statutory operations personnel).

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--|------------------------------------|--|
| (e) investments | - | - |
| (f) other non-current assets | - | - |
| 2.2 Proceeds from the disposal of: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | 18 | 278 |
| (d) investments | - | - |
| (e) other non-current assets | - | - |
| 2.3 Cash flows from loans to other entities | - | - |
| 2.4 Dividends received (see note 3) | - | - |
| 2.5 Other (provide details if material) | - | - |
| 2.6 Net cash from / (used in) investing activities | (697) | (1,100) |
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities) | 3,552 | 4,453 |
| 3.2 Proceeds from issue of convertible debt securities | - | - |
| 3.3 Proceeds from exercise of options | - | - |
| 3.4 Transaction costs related to issues of equity securities or convertible debt securities | (99) | (122) |
| 3.5 Proceeds from borrowings | - | - |
| 3.6 Repayment of borrowings | - | - |
| 3.7 Transaction costs related to loans and borrowings | - | - |
| 3.8 Dividends paid | - | - |
| 3.9 Other (provide details if material) | - | - |
| 3.10 Net cash from / (used in) financing activities | 3,453 | 4,331 |
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 3,960 | 4,762 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | (1,077) | (2,355) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | (697) | (1,100) |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|--|------------------------------------|--|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 3,453 | 4,331 |
| 4.5 | Effect of movement in exchange rates on cash held | 35 | 36 |
| 4.6 | Cash and cash equivalents at end of period | 5,674 | 5,674 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 5,674 | 3,960 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 5,674 | 3,960 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | (212) |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. | Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|-----|---|---|--|
| | <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 | Loan facilities | 16,400* | 7,020 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | Total financing facilities | 16,400* | 7,020 |
| 7.5 | Unused financing facilities available at quarter end | | 9,380 |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | <p>On 30 June 2020, the Company executed a Litigation Funding Agreement (LFA) for US\$12.3 million (*now worth A\$16.4 million with the movement of the A\$ compared to the \$US) with LCM Funding UK Limited a subsidiary of Litigation Capital Management Limited (LCM), to pursue damages claims in relation to the investment dispute between GreenX and the Polish Government that has arisen out of certain measures taken by Poland in breach of the Energy Charter Treaty and the Australia – Poland Bilateral Investment Treaty (BIT). LCM will provide up to US\$12.3million (~A\$16.4 million), denominated in US\$, in limited recourse financing which is repayable to LCM in the event of a successful Claim or settlement of the Dispute that results in the recovery of any monies. If there is no settlement or award, then LCM is not entitled to any repayment of the financing facility. In return for providing the financing facility, LCM shall be entitled to receive repayment of any funds drawn plus an amount equal to between two and five times the total of any funds drawn from the funding facility during the first five years, depending on the time frame over which funds have remained drawn, and then a 30% interest rate after the fifth year until receipt of damages payments.</p> | | |

| 8. | Estimated cash available for future operating activities | \$A'000 |
|-------|---|----------------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (1,077) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (419) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (1,496) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 5,674 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | 9,380 |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 15,054 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | >10 |
| | <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| | Answer: Not applicable | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2022

Authorised by: Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.