

30 October 2024

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

Shareholder Q&A

GreenRoc Strategic Materials plc (AIM: GROC), a company focused on the development of critical mineral projects in Greenland, is pleased to answer a number of recently submitted shareholder questions.

AMITSOQ

1. Is more drilling/resource expansion planned?

A small amount of further drilling (c.1,200m) will be needed to feed data into the Preliminary Feasibility Study ('PFS'). In the future, we would also like to expand the defined resources at the project to support later expansion of the mining rate, but this will be dependent on future access to capital/JV partner and is not a prerequisite to our current mine development plans.

2. What exploration is planned for the additional land covered by the licence extension granted in April 2024?

Sampling and mapping to demonstrate the magnitude of the graphite province.

3. Next steps after GreenRoc receives the exploitation permit?

Permitting will remain a key priority. We will look to complete the Environmental Impact Assessment and Social Impact Assessment, start negotiation of the Impact Benefit Agreement, and prepare the mining plan and closure plan.

4. How will the exploitation site receive power?

Given current available power generation in South Greenland, we would initially expect diesel to be the primary power source at Amitsoq. However, we are working towards green energy solutions for our mining and processing operations. Accordingly, we also plan on incorporating ammonia and renewable energy sources. Depending on the speed of development of ammonia as a fuel, we may even be able to use this from the outset.

5. With the extension of the runway at Nuuk airport meaning that it will be able to serve more international destinations, do you think this signals growing interest in Greenland as a strategic minerals player?

Perhaps not directly, but it will certainly serve to place Greenland in the minds of people in North America and in Europe. SAS have announced that they intend to start direct flights between Copenhagen and Nuuk by next summer. Anything which makes it easier for politicians, businesspeople, investors and tourists to travel directly between Europe and Greenland's capital city can only be a positive development.

6. Timing for mine construction start = June / Sept 26?

Timings are dependent on completion of the Definitive Feasibility Study, but it is likely to be late 2026.

7. Will the graphite suitability testing by offtake partners be done in parallel to development?

The intention will be to run the pilot processing plant through 2026 prior to the DFS and through construction to meet the qualification requirements by the OEMs (original equipment manufacturers) / battery producers

8. Will the offtake be taken by the US as well as Europe?

There is opportunity to export to both the US and Europe.

9. Will our product be benefitting from guaranteed downside pricing? Will it limit the upside?

The introduction of this type of pricing is now being considered at the EU Commission level and I have heard similar thoughts on the US side. If indeed there is a 'floor pricing' introduced for some of the strategic raw materials, GreenRoc will certainly benefit from not having to deal with unfair price competition. If and when such floor pricing is introduced, there may also be a mechanism which limits the upper 'ceiling' of the pricing. As a concept, that's ok, though of course the devil will be in the detail.

10. Is GreenRoc in communication with well-known OEMs, battery makers?

Yes, the Company is currently in discussion with several OEMs and battery companies but cannot provide any further information due to NDAs.

11. How soon may a possible JV be announced

It wouldn't be sensible to speculate on this at this point in time.

12. How confident do you feel that you will be given strategic project status under the CRMA

We are confident, as we believe we tick all the boxes.

13. Does the Company wish to be an operator of the mine and/or the midstream processing plant once built?

Yes, that is our preference. Operating in Greenland is one of our key strengths and the GreenRoc team has decades of combined experience in that regard. When it comes to the processing operations, we rule nothing out however we can see the benefit of leveraging off the expertise of groups with a track record in relevant mineral processing technologies...

PROJECT FINANCING

14. What is the status on EU funding?

The EU funding plans will be outlined once the Strategic Projects are announced (expected March 2025). Some are already in place or will be announced soon (German Raw Materials Fund, EU Battery Alliance Raw Materials Fund) and we will be watching developments closely. It was announced on 25 October that Talga will receive a €70M EU Innovation grant to develop a AAM plant in Sweden. With GreenRoc establishing in Norway we will apply for similar funding. The next call opens Dec 2024.

15. Will the financing for development in Greenland and Norway be at Op-Co level... and so limiting dilution at main shareholder level?

Yes, at the moment that is considered most likely.

16. What % of the funding (sic) required is expected to come from grants for Greenland / Norway?

This will depend on how we finance the project and the type of grants that are secured/available. In Norway, grants can typically finance between 60-80% of the development cost, with the remaining 40-20% being covered by supplementary private funds. In the US grants can finance up to 80% of the cost. The grants can also be provided on varying terms, with some provided as loans and others are direct non-dilutive grants.

17. Is the trade treaty between Greenland and the EU [which is yet to complete I think] going to delay the CRMA / MSP money coming?

No; the recently agreed partnership on raw materials supply between Greenland and the EU circumvent the need for a trade treaty. A similar partnership is also in place between Norway and the EU.

18. Will an OEM be investing equity in the project in exchange for the offtake?

This is a possibility; we have seen that some companies have actively invested in raw material projects, for example Stellantis in cobalt and General Motors in lithium.

19. Does the Company qualify for government grants or similar corporate non-dilutive finance, what is happening concerning the US bank Letter of Intent?

Yes, the Company is in discussion with US EXIM but as they have not done any financing in mining before it doesn't fall within an existing financing structure for them. It is something we continue to work on.

20. How soon could you possibly receive US funding? Or any other type of non-dilutive funding?

We continue to explore all options available to us, which includes options in the US. Receiving larger amounts (such as funds under the Department of Energy) can take up to one year but are very substantial (up to \$100-200M), others are smaller (\$2-15M). I understand that funding under the Department of Defence scheme can take a significantly shorter time, but we would need to have a US presence (which is not insurmountable).

21. How much money will you need to get the mine through its studies and permits to final investment decision and financing for construction?

This is dependent on several factors, many of which are currently unknown at this stage.

22. How much money will you need to get the midstream processing plant for Norway through its studies and permits to final investment decision and financing for construction?

This is dependent on several factors, many of which are currently unknown at this stage.

CORPORATE

23. What is the percentage of inside ownership?

Directors of the Company collectively hold 2.16% and Alba holds 34.34%.

24. Are you planning to expand the team?

Yes, as we progress our work programmes we will look into acquiring internal expertise to bolster our current skill set; specifically mining engineering and processing engineering. At the AAM plant we will also be looking to build the team by recruiting a mechanical engineer and project manager.

25. Any shareholder events in Germany planned?

We currently have nothing planned but is something we would certainly be open to doing.

26. As a long term investor, when will loyal shareholders see real value for their shareholdings.

Delivering shareholder value is of critical importance to us. Our primary focus is on fast-tracking Amitsoq into a producing mine. We have been able to accomplish a lot of work with relatively modest funds in recent years. We have conducted and concluded the PEA for the mine and the PFS for the AAM plant and established GreenRoc as a respected player in the global raw materials network, amongst OEMs, governmental and inter-governmental bodies, policy makers and administrators. With work programmes and discussions progressing regarding both the technical and commercial aspects of the project, we believe there are multiple value trigger points to look forward to and are very confident in the value potential of Amitsoq.

27. How do you plan to avoid the destruction of shareholder value by frequent capital raises which destroy the share price?

We understand the frustration that can be felt by existing shareholders when the Company raises money, especially in the difficult stock market conditions which we have faced, in common with our peers, over the past 2-3 years. However, we need to have funds in order to keep progressing our work at Amitsoq as this is in the long-term interests of all shareholders. We have stringent cost control measures in place and work deliberately via targeted work programmes to maximise the value of our funds. Non-dilutive financings (e.g. grants or loans) could really alleviate the need for equity placings, of course, and this is something we are actively working to secure.

28. When will the Company desist from dilutive placings, these placings destroy shareholder value and deliver little by way of meaningful cash, surely management can see the need for project finance or some other form of non-dilutive funding method.

Please see above.

29. The current market value of the Company is significantly below that of peer groups, why is this and what does management intend to do about it?

It is difficult to draw direct comparisons to our peers; many are listed on other markets, such as the TSX and ASX, and/or have been around for longer, with their graphite projects accordingly more established. Some also have already had public grants or loans made available to them, which as I say is something we are actively working on.

30. A material value re-rating of GreenRoc wholly depends on management's ability to deliver non-dilutive funding, does the management accept this and what progress on this front is being made?

We are in active discussions with multiple parties regarding financing and commercialisation. Alongside this, we continue to progress the technical development of the project and the key permitting applications. We continue to work across multiple work streams, all of which feed directly into Amitsoq's future development potential.

31. Can the Company clearly explain a news-flow timetable, in other words what can be expected near-term, mid-term etc. Recent interviews have telegraphed a news rich period ahead, some clarity on this would be appreciated.

As mentioned above, we are actively working on many fronts and upcoming news will look to provide further updates on technical milestones, project permitting, and ongoing financing discussions, including advancing GreenRoc's eligibility for public grants or loans.

32. With Alba focused on Clogau, have the Directors helped with Greenland.

Yes, we value the knowledge, skillset and strong engagement of the Alba directors on the GROC board.

33. Can you speak to the huge gap between market capitalization and net present value, therefore potential upside

I believe it speaks for itself and is underlined by the valuations for our mining and processing projects which have been published in the independent Amitsoq Mine PEA and AAM Plant PFS. We share our present situation with many other publicly traded junior raw materials companies in what have been challenging market conditions for mining juniors for the past 2-3 years now, which in turn of course flows into concerns as to how large-scale mining projects are to be financed. However, in our case, we are not resting on our laurels and are working hard to secure grants/loans or a strategic partner. Achieving that should, in our view, significantly help to reduce the valuation gap we are presently seeing.

WIDER PORTFOLIO

34. As a Long term Shareholder of Alba, holding multiple interests in the Greenland Minerals. Since the IPO of GreenRoc. The other licences gave been on hold or sold. What is the plan for the ilmenite project near Dundas? To keep or sell? If to keep, what happened to the drilling campaign results

As we have stated previously, the delay in finalising the revised assessment of the JORC Resource for our Thule Black Sands ("TBS") ilmenite project in north Greenland was caused by some errors in the sample processes selected by our mineral processing consultants, which have unfortunately taken a long time to assess and address. However, TBS is not a core focus for us so we may look to partner it or sell at the appropriate time.

35. Will GreenRoc look for other graphite projects around Scandinavia, Europe etc.

No, it is not needed; Amitsoq is one of the best and highest grade graphite deposits in the world and, what is more, it sits in one of the most promising graphite districts in the world, alongside multiple other high-grade prospects, such as Kalaaq, all of which are 100% owned by GreenRoc.

****ENDS****

