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

Amitsoq Update
GreenRoc Signs MoU with Morrow Batteries ASA

GreenRoc Strategic Materials plc (AIM: GROC), a company focused on the development of critical mineral projects in Greenland, is pleased to announce that it has signed a memorandum of understanding ("MOU") with Morrow Batteries ASA ("Morrow"), a Norwegian company dedicated to developing and manufacturing sustainable and high-performance lithium-ion battery cells. GreenRoc has also commenced the process of setting up a Norwegian registered subsidiary to undertake work related to the production of graphite active anode material ("AAM") for batteries.

Details:

Morrow and GreenRoc have signed the non-binding MOU to lay the foundation for collaboration and development of AAM, which is essential for advanced battery technology. The scope of cooperation includes:

- **Secured Supply of Proven Quality AAM**: GreenRoc intends to supply graphite concentrate from its planned mine at Amitsoq in Greenland. Given the single source origin, GreenRoc intends to produce AAM of consistent quality.
- **Transportation Efficiency and CO_2 Reduction**: The location of GreenRoc's planned European AAM plant in Norway, near to Morrow's gigafactory, allows for significantly shorter transportation lines, contributing to reduced transportation costs and lower CO_2 emissions.
- **Enhanced Environmental, Social, and Governance (ESG) Performance**: GreenRoc's graphite extraction at Amitsoq in Greenland and the subsequent processing into AAM will be developed in alignment with best-in-class ESG practices and aims to demonstrate a significantly better ESG profile compared to present day supplier standards.
- **Reduced CO_2 Emissions Through Renewable Energy Use**: GreenRoc's anticipated AAM production aims to be largely powered by electricity generated by hydropower, contributing to a specific CO_2 emissions reduction in AAM production compared to present day AAM suppliers that rely on higher carbon-emitting sources.
- **Tailored AAM Production to Morrow's Specifications**: GreenRoc will have the flexibility to adjust AAM specifications and capacity to Morrow's evolving needs, with the capability to adapt specifications on short notice, as required.
- **Mutual Engagement in Material Performance Development**: The parties will engage with one another on the potential to optimise material performance to enhance battery cell capacity and

durability, leveraging shared R&D efforts.

- **Continuous Reduction of CO_2 Emissions**: Both parties will engage in efforts to further reduce CO_2 emissions from raw material sourcing and processing, aiming collectively to be industry leading.

- **Operational Synergies from Strategic Proximity**: The co-location of Morrow's gigafactory and GreenRoc's planned European AAM plant in Eyde Material Park is expected to deliver strategic and logistical advantages for both parties going beyond the points given above. Examples include the attraction for investors of clear upstream graphite supply security in a changing global geopolitical landscape, increased interest from battery purchasers due to enhanced battery performance, and technical flexibility and security of AAM supply into the coming decade.

Morrow's battery cell factory is the first LFP (lithium iron phosphate) Gigafactory in Europe. It is located in Eyde Materials Park in South Norway, some 3km from Port of Arendal at Eyde and commenced battery cell test production in August 2024. Morrow has secured a delivery agreement for 5.5 gigawatt hours (GWh) over seven years with Nordic Batteries, which builds customised power storage solutionsfor sectors including construction, maritime, defence, and grid systems. Morrow's investors include Norwegian utility company Å Energi, engineering groups ABB and Siemens, Danish pension fund PKA and Norwegian state-owned green investment firm Nysnoe Climate Investments.

GreenRoc has reserved an area in the Eyde Materials plant to locate its first AAM plant (see RNS of 27 August 2024).

Establishing a Norwegian Subsidiary:

GreenRoc is in the process of establishing a wholly owned Norwegian registered company NorGraph AS, to undertake the development of the AAM plant in Norway. Being registered in Norway, NorGraph AS will be eligible for funding under EU funding schemes, such as the European Innovation Council.

GreenRoc's CEO, Stefan Bernstein, commented:

"This MoU between GreenRoc and Morrow is a significant step forward in GreenRoc's journey to become a prominent producer of graphite active anode material for Europe. Teaming up with such a ambitious battery producer is a huge achievement, but it is all the more significant given Morrow's proximal location to GreenRoc's planned AAM plant and the team's shared focus on and commitment to ESG performance, which ideally aligns the parties as operating partners.

"Signing this MoU provides us with the framework, at an early stage, to tailor our graphite anode materials product and optimise the quality to meet the specifications for a potential off-take agreement. It also lays the foundation for us to work together to further develop technology and establish a domestic European production of batteries in line with our endeavours to become industry pioneers. The GreenRoc team and I very much look forward to working with Morrow and are excited for the opportunities ahead."

Morrow's CSO and Co-Founder Jon Fold von Bulow, commented:

"Our collaboration with GreenRoc marks a significant step toward building a sustainable Nordic battery value chain. This partnership will be an important stepping stone in bringing the carbon emissions of our battery cells to exceptionally low levels while strengthening Europe's battery supply security - it is great that we can leverage complementary strengths from across the Nordic region."

About Morrow Batteries:

Morrow Batteries is a Norwegian company committed to accelerating the energy transition with cost-effective and sustainable battery solutions. Positioned as a leadingspecialist supplier in Europe, Morrow focuses on developing tailored battery solutions and expanding into volume

markets for energy storage, niche sectors, and automotive applications. Leveraging a skilled R&D team, world-class manufacturing experts, and Norwegian hydropower, Morrow aims to deliver sustainable, high-performance batteries by eliminating toxic solvents and reducing nickel use. The company plans to start with LFP batteries and advance to LNMO technology on a scalable platform.

Morrow's operations are streamlined to ensure high quality at competitive costs, utilising automated manufacturing with state-of-the-art technology for scalability. Combining strong engineering and industrial expertise with a dedicated team of operators, Morrow ensures top-quality products with low scrap rates and high yield.

Morrow aims to innovate battery technology through its advanced facilities, including the Morrow Research Centre in Grimstad, Norway. The company focuses on step-by-step growth with customer needs at the forefront, beginning with LFP battery production for niche segments and energy storage, then advancing to enhanced LFP and LNMO technologies. The promising LNMO-based batteries reduces the use of cobalt and nickel, resulting in environmentally friendly batteries with high energy density and long life spans.

Morrow's factory and products align with the European Union's Green Deal objectives, aiming to make the battery supply chain more sustainable and localised. Norway's abundant renewable energy and industrial expertise provide an ideal environment for Morrow's production and innovation initiatives.

Fully European-owned, Morrow's shareholders include Siemens, ABB, PKA, Nysnø Climate Investments, Noah AS, and Å Energi.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the timing and granting of regulatory and other third party consents and approvals, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

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About GreenRoc

GreenRoc Strategic Materials Plc is an AIM-quoted company, which is led by a group of highly experienced mining industry professionals. The Company is focused on fast-tracking the Amitsoq Graphite Project in Greenland into a producing mine to meet critical demand from Electric Vehicle ('EV') manufacturers in Europe and North America for new, high grade and conflict-free sources of graphite. Amitsoq is one of the highest-grade graphite deposits in the world with a combined Measured, Indicated and Inferred JORC Resource of 23.05 million tonnes (Mt) at an average grade of 20.41% graphite, giving a total graphite content of 4.71 Mt, and significant further upside beyond this. Test work has proven that Amitsoq graphite can be readily upgraded to high-grade, anode-quality graphite, with higher than 99.95% purity and relatively little energy input, boding well for future production costs and sustainability commitments.

A Preliminary Economic Assessment released on 31 October 2023 gives a post-tax NPV8 for the Project of US$179M, an IRR of 26.7% and capex estimated at US$131M (including a 25% contingency). These figures solely relate to the economics of a mining and primary processing operation in South Greenland and do not take into account any potential upside from a downstream processing operation, which GreenRoc intends to establish. A Feasibility Study into the establishment of a graphite spheronisation processing plant (published in May and July 2024) shows a post-tax NPV8 for the project of US$621M, an IRR of 26.5% and capex estimated at US$340M (including a 25% contingency). The Company has signed a Letter of Intent to secure an area for the Company's future Active Anode Materials Plant in Southern Norway and has received expressions of support from the European Raw Materials Alliance and the US EXIM Bank for future development.

GreenRoc also has the Thule Black Sands Ilmenite Project ('TBS') in Greenland, which has an initial Mineral Resource of 19Mt at 43.6% Total Heavy Minerals with an in-situ ilmenite grade of 8.9%.

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