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NEWS RELEASE 28 JANUARY 2022

Quarterly Activities Report December 2021

HIGHLIGHTS

- Earn-in Agreement signed to acquire up to 80% in Arctic Rift Copper Project in Greenland (**ARC**).
    - Large-scale project with historical exploration results indicative of an extensive mineral system with potential to host world-class copper deposits.
    - ARC known to be prospective for basalt, fault and sedimentary rock-hosted copper mineralisation but remains virtually unexplored.
    - Historical field programs identified widespread copper-silver occurrences at surface.
    - Minik Anomaly in north-eastern part of ARC hosts highest copper grades coincident with multiple geophysical anomalies.
- Subsequent to December quarter, new copper targets have been identified at ARC 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.
- Entitlements Issue to fund new and current activities announced concurrently with ARC earn-in. Following interest from investors in the UK and Europe, GreenX has secured Entitlement and shortfall commitments for gross proceeds of A$4.5 million with the shortfall shares to issued shortly.
- Company name changed to GreenX Metals Limited to reflect its vision to power the global energy transformation through copper exploration.
- 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 as at 31 December 2021 is A$4 million with a further $3.6 million secured from the Entitlements shortfall.

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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 December 2021.

ARC EARN-IN AGREEMENT AND PROJECT SUMMARY

During the quarter, GreenX entered into an Earn-in Agreement (**EIA**) with Greenfields Exploration Limited (**GEX**) to acquire an interest of up to 80% in the Arctic Rift Copper project (**ARC** or **Project**) in Greenland.

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 km^2 Special Exploration Licence in eastern North Greenland (Figure 1). The area has been historically underexplored yet is prospective for copper, forming part of the newly identified Kiffaanngissuseq metallogenic province.

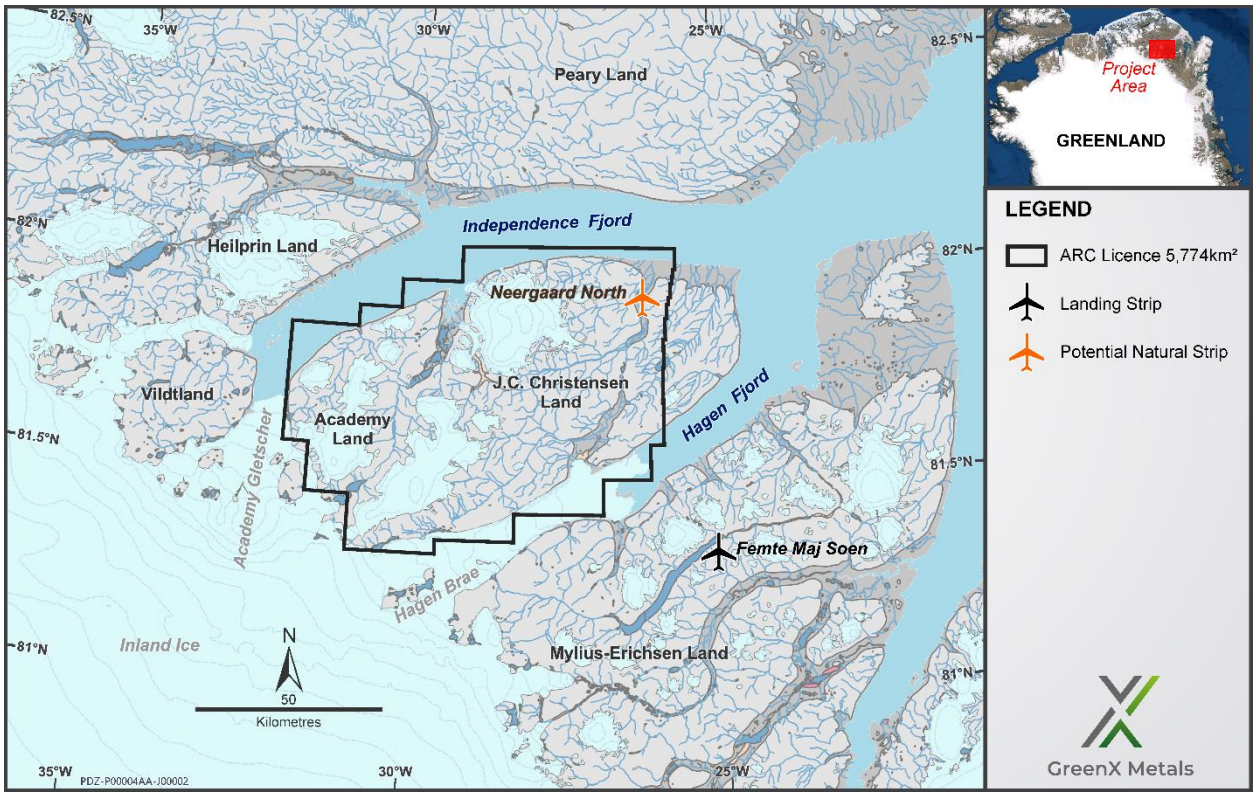

Figure 1: ARC licence location

This province is thought to be analogous to the Keweenaw Peninsula of Michigan, USA, which contained a pre-mining endowment of +7 Mt of copper contained in sulphides and 8.9 Mt of native copper. Like Keweenaw, ARC is known to contain at surface, high-grade copper sulphides, 'fissure' native copper, and native copper contained in what were formerly gas bubbles and layers between lava flows.

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.

Minik Anomaly

Very high-grade copper mineralisation identified at ARC is associated with the Minik Anomaly, a coincident magnetic-electromagnetic-gravity feature in an area where there is a change in oxidation state and widespread native copper in stream sediments. These features are presented as the footprint of a large-scale hydrothermal system. The frequency and size of the native copper clasts, and the high grade of the copper-silver sulphides that are exposed at the surface, bode well for the probability of discovery.

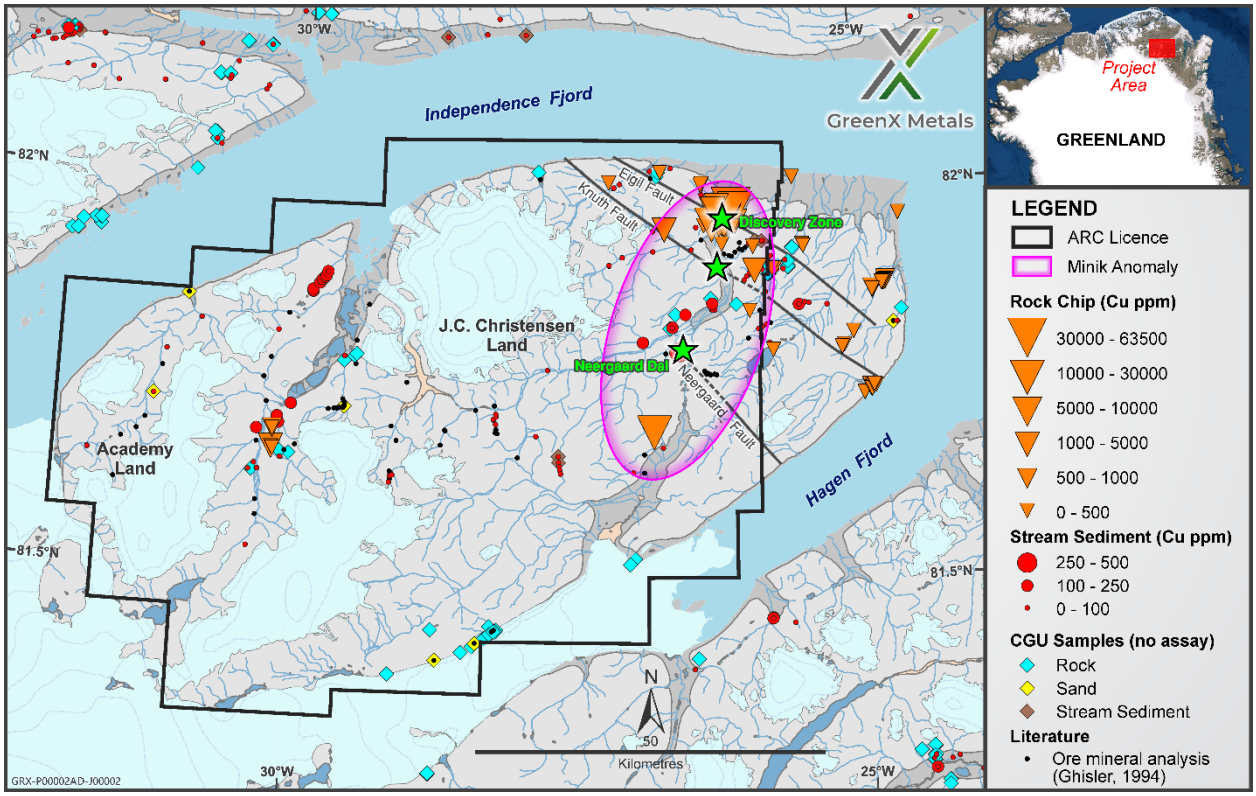

Figure 2: ARC licence area showing historical geochemistry, the Minik Anomaly and identified faults

Discovery Zone

The most advanced prospect within ARC is the copper-silver bearing Discovery Zone, located at the northern end of Neergaard Dal. The Discovery Zone was identified in 2010 as a follow up to a geochemical anomaly identified by the GGS in 1994.

The Discovery Zone is comprised of at least three parallel breccia faults trending northwest-southeast, with the furthest faults being around 2km apart. The faults are traced for a minimum of 2km along strike before they disappear underneath moraine. The Discovery Zone is open in both directions.

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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 Munro[1] 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 4).

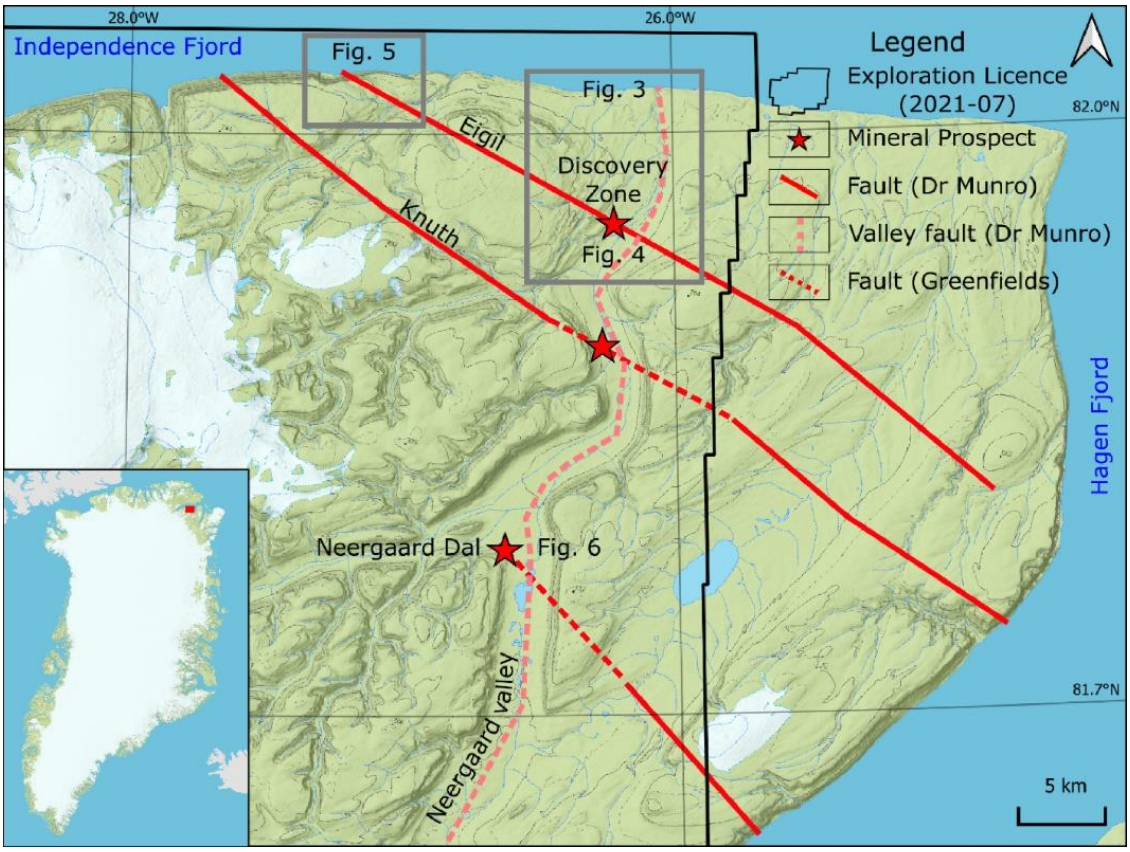

Figure 3: Significant reverse faults identified within ARC (Note: while reverse motion is constrained, the lateral/strike-slip motion is uncertain)

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

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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.

During the quarter, the ARC JV appointed Dr Mark Munro as head geologist. Dr Munro holds a PhD in Structural and Metamorphic Geology from James Cook University. As a three-year post-doctoral researcher at the University of Western Australia he studied the mineralisation, alteration, and structure of deposits. In addition to his considerable field and structural knowledge, he is a 3D modeler and has global experience with precious and base metal projects. Following a position as a mapper with the Geological Survey of Western Australia, Dr Munro has spent four years working as an applied structural geologist for industry. He engages in the structural logging of drill core, in addition to both surface and underground mapping, with view to understanding the multi-scale aspects of deposit generation.

REGIONAL DEVELOPMENTS

During early December 2021, Ironbark Zinc (ASX:IBG) announced that it secured a Preliminary Project Letter approval for a US$657m loan from the US Government's EXIM Bank for the development of Ironbark's Citronen lead-zinc project. The Citronen project is located approximately 150 km further north than ARC. The loan, if approved, will mean that the United States is financing most of the cost of developing the strategically important Citronen project. This project will include the construction of an airstrip and port at Citronen, which may provide infrastructure support for a future development at ARC.

Greenland has been increasingly recognised as one of the last great mineral frontiers, with interest from leading miners and commodities houses including Anglo American, Glencore, Trafigura, and IGO. More recently, major foreign governments have also stepped in to support and finance mineral development projects. The Australian Financial Review reported that Greenland 'has found itself in the middle of a geopolitical great game', with the funding for Citronen '[surfing] a wave of geopolitical project funding' in the Arctic region. The United States and the European Union are now all making concrete moves to finance mineral projects in Greenland.

CORPORATE

Name Change

During the quarter the Company name changed to GreenX Metals Limited to reflect its vision to power the global energy transformation through copper exploration.

Entitlements Issue & Shortfall Offer

Concurrent with the ARC EIA, the Company announced undertaking a one (1) for ten (10) pro rata non-renounceable Entitlements Issue at $0.20 (£0.11/€0.13) per share. Eligible shareholders were entitled to acquire one (1) New Share for ten (10) ordinary shares under the Entitlements Issue.

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Following significant interest from potential new investors in the UK and Europe, the Company offered a total of 17,775,000 shortfall shares from the Entitlements Issue to nominated parties.

The Company has secured commitments from the Entitlements Issue and shortfall for total gross proceeds of A$4.5m, with the shortfall shares to be issued shortly.

Cash Balance

As at 31 December 2021, GreenX had A$4 million cash available with a further $3.6 million secured from the Entitlements shortfall.

Board Changes

During the quarter, Ms Carmel Daniele, founder and Chief Executive Officer of CD Capital, stepped down as CD Capital's nominee to the GreenX Board as a non-executive Director and was replaced by Mr Garry Hemming, a highly experienced exploration geologist, effective immediately. Mr Hemming is a senior resource geologist at CD Capital and brings over 40 years' experience in exploration and as a mining executive of public companies.

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.

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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.

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APPENDIX 1: TENEMENT INFORMATION

As at 31 December 2021, 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 During the quarter, 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 Prairie was commenced international arbitration claims against the Republic of Poland under both the ECT and the BIT. Prairie 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 mine and Debiensko mines in Poland.

APPENDIX 2: RELATED PARTY PAYMENTS

During the quarter ended 31 December 2021, the Company made payments of $172,000 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 ($40,000).

APPENDIX 3: EXPLORATION AND MINING EXPENDITURE

During the quarter ended 31 December 2021, the Company made the following payments in relation to exploration activities:

Activity	$000
Greenland (ARC)	
Project Management	98
Geochem	139
Other (field supplies, fuel, satellite imagery, etc)	148
Greenland Sub-total	***385***
Poland	
Legal and permitting related expenditure	88
Consultants – technical and Debiensko statutory operations personnel	93
Other	47
Poland Sub-total	***228***
Total as reported in the Appendix 5B	**613**

There were no mining or production activities and expenses incurred during the quarter ended 31 December 2021.

Appendix 5B

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

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Name of entity

GreenX Metals Limited

ABN	Quarter ended ("current quarter")
23 008 677 852	31 December 2021

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(230)*	(524)*
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(175)	(342)
	(e) administration and corporate costs	(289)	(603)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	10
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	(89)	(109)
	(b) Property rental and gas sales	44	92
	(c) Arbitration related expenses	(247)	(740)
	(d) Receipt of arbitration funding	240	938
1.9	**Net cash from / (used in) operating activities**	**(741)**	**(1,278)**

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

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) Entities	-	-
	(b) Tenements	-	(30)
	(c) property, plant and equipment	(247)	(249)
	(d) exploration & evaluation	(385)	(385)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 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	229	260
	(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**	**(403)**	**(404)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	901	901
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	(23)	(23)
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**	**878**	**878**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,224	4,762
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(741)	(1,278)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(403)	(404)

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Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
4.4	Net cash from / (used in) financing activities (item 3.10 above)	878	878
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	**Cash and cash equivalents at end of period**	**3,960**	**3,960**

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	3,960	4,224
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)**	**3,960**	**4,224**

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	(173)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	17,000*	6,085
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**17,000***	6,085
7.5	**Unused financing facilities available at quarter end**		**10,915**

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.

On 30 June 2020, the Company executed a Litigation Funding Agreement (**LFA**) for US$12.3 million (*now worth A$17 million with the movement of the A$ 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$17 million), denominated in US$, 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.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(741)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(385)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,126)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,960
8.5	Unused finance facilities available at quarter end (item 7.5)	10,915
8.6	Total available funding (item 8.4 + item 8.5)	14,875
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**>10**

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.

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

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: 28 January 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.

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