

Greenland Anorthosite Mining A/S
Naternaqq 17, Postboks 1174, 3905 Nuussuaq

Annual report

2024

Company reg. no. 40 50 22 62

The annual report was submitted and approved by the general meeting on the 30 June 2025.

Claus Stoltenborg
Chairman of the meeting

Notes:

- *To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.*
- *Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.*

Contents

	<u>Page</u>
Reports	
<i>Management's statement</i>	1
<i>Independent auditor's report</i>	2
Management's review	
<i>Company information</i>	5
<i>Management's review</i>	6
Financial statements 1 January - 31 December 2024	
<i>Income statement</i>	8
<i>Balance sheet</i>	9
<i>Statement of changes in equity</i>	11
<i>Notes</i>	12
<i>Accounting policies</i>	14

Management's statement

Today, the Board of Directors and the Executive Board have approved the annual report of Greenland Anorthosite Mining A/S for the financial year 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Nuussuaq, 6 June 2025

Executive board

Claus Stoltenborg

Claus Østergaard

Anders Nørby-Lie

Board of directors

Edward Wayne Malouf

Mike Jimmy Tong Sam

Audrey Hoe-Richardson

Søren Brinkmann

Jens Sønderberg Frederiksen

Independent auditor's report

To the Shareholders of Greenland Anorthosite Mining A/S

Opinion

We have audited the financial statements of Greenland Anorthosite Mining A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 6 June 2025

Martinsen

*State Authorised Public Accountants
Company reg. no. 32 28 52 01*

Leif Tomasson

*State Authorised Public Accountant
mne25346*

Company information

The company

Greenland Anorthosite Mining A/S
Naternaq 17
Postboks 1174
3905 Nuussuaq

Company reg. no. 40 50 22 62

Financial year: 1 January - 31 December
6th financial year

Board of directors

Edward Wayne Malouf
Mike Jimmy Tong Sam
Audrey Hoe-Richardson
Søren Brinkmann
Jens Sønderberg Frederiksen

Executive board

Claus Stoltenborg
Claus Østergaard
Anders Nørby-Lie

Auditors

Martinsen
Statsautoriseret Revisionspartnerselskab
Øster Allé 42
2100 København Ø

Management's review

Description of key activities of the company

The key activities of the company is in Milestone 1 and 2 to develop an Exploration mining license with Anorthosite in the southern part of Greenland initially into an Exploitation (mining) license and then as Milestone 3 build the necessary facilities to convert the Anorthosite deposit into an active mine delivering raw materials to the E-glass and other industries.

Significant changes in the company's activities and financial matters

In 2024 and up until the signing of this Annual Statement, GAM completed significant milestones. In January 2024, the new Greenlandic mining regulation came into force, and GAM's progress was adapted to comply with the new regulation.

License track:

On May 21, 2025, GAM's exclusive Mining licence was signed in Nuuk at a ceremony at the offices of the Greenland Mineral Resources Authority (MLSA). GAM is the first Mining Company to obtain a mining license based on the new 2024 mining law.

Track towards construction permits:

GAM's Social and Environmental Impact studies (SIA, EIA) were completed and submitted for public hearing and comments.

The public hearing was challenged by tough Greenlandic weather wherefore one of the locations unfortunately had to be serviced via an online meeting, but with goodwill from the authorities, the municipality, the inhabitants and technical support staff in our three hearing locations, all hearing meetings were successful.

During the comment period of the hearing, GAM received additional comments which have been addressed. As of date of this Annual Statement, all of GAM's hearing answers relating to the Social Impact study have been delivered and accepted by the MLSA and translated into three languages, wherefore the SIA is now final. Together with the hearing answers, the SIA is ready as background for GAM's Impact Benefit Agreement.

Additionally, GAM has delivered all hearing answers to the EIA hearing questions and is in the final phase of completing the white book for filing with the MLSA.

According to the MLSA, as soon as the white book (SIA and EIA) is complete, the MLSA will circulate a first draft of the Impact Benefit Agreement (IBA) and IBA negotiations can begin.

According to the MLSA, as soon as the white book (SIA and EIA) is complete, the MLSA will circulate a first draft of the Impact Benefit Agreement (IBA) and IBA negotiations can begin.

Upon completion of the IBA, Mine Plan and Closure Plan, GAM can submit its applications for construction permits.

Management's review

Financial Track:

During 2024 GAM has continued the studies related to the construction phase and several test works have taken place to provide input for the design of the processing plant. The processing plant has been designed by Haver Nigara Consulting and most other elements are well advanced.

Based on the findings from these studies, supplemented with input from a recent review study by HATCH Consulting, GAM's technical team is developing a new scenario-based financial model to support GAM's decision making and support its upcoming financing.

This model is planned to be ready by the middle of June 2025 to support GAM's planned two-phase Construction Financing:

- Phase I: Construction Bridge Financing for Engineering studies and initial procurement.
- Phase II: The Construction Financing inclusive of working capital for the initial operations phase.

Income or loss from ordinary activities after tax totals DKK -2.249.304 against DKK -2.691.934 last year. Management considers the net profit or loss for the year satisfactory.

Plans for 2025-26

GAM aims to complete the Impact Benefit Agreement, the Mine Plan and the Closure Plan in 2025. Additionally, GAM aims to complete its Construction Bridge Financing for Engineering studies and to start initial procurement and landing of the construction camp elements to be brought on site together with the first construction gear and machines to enable GAM to initiate road and construction surfaces project as soon as the permits have been received.

Finally, GAM expects to complete its construction financing in this period and subject to permissions being in place to commence construction of the mine.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2024</u>	<u>2023</u>
2 <i>Other operating income</i>	4.298.336	3.415.994
<i>Other external costs</i>	-1.153.047	-1.654.813
<i>Gross profit</i>	3.145.289	1.761.181
1 <i>Staff costs</i>	-5.200.321	-4.258.686
<i>Operating profit</i>	-2.055.032	-2.497.505
<i>Other financial income</i>	323.283	78.670
3 <i>Other financial costs</i>	-517.555	-273.099
<i>Pre-tax net profit or loss</i>	-2.249.304	-2.691.934
 <i>Net profit or loss for the year</i>	 -2.249.304	 -2.691.934
 <i>Proposed distribution of net profit:</i>		
<i>Allocated from retained earnings</i>	-2.249.304	-2.691.934
<i>Total allocations and transfers</i>	-2.249.304	-2.691.934

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Non-current assets		
4 <i>Property, plant, and equipment under construction including pre-payments for property, plant, and equipment</i>	53.179.986	47.048.532
5 <i>Right-of-use assets</i>	87.363	87.363
<i>Total property, plant, and equipment</i>	<u>53.267.349</u>	<u>47.135.895</u>
6 <i>Deposits</i>	12.750	12.750
<i>Total investments</i>	<u>12.750</u>	<u>12.750</u>
Total non-current assets	<u>53.280.099</u>	<u>47.148.645</u>
Current assets		
<i>Other debtors</i>	140.485	961.945
<i>Total receivables</i>	<u>140.485</u>	<u>961.945</u>
<i>Cash and cash equivalents</i>	<u>11.832.093</u>	<u>7.543.189</u>
Total current assets	<u>11.972.578</u>	<u>8.505.134</u>
Total assets	<u>65.252.677</u>	<u>55.653.779</u>

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity		
Contributed capital	642.962	608.798
Share premium account	0	9.202.443
Retained earnings	51.268.355	33.034.928
Total equity	51.911.317	42.846.169
Liabilities other than provisions		
Trade payables	150.000	431.829
Payables to group enterprises	12.559.343	12.145.706
Other payables	632.017	230.075
Total short term liabilities other than provisions	13.341.360	12.807.610
Total liabilities other than provisions	13.341.360	12.807.610
Total equity and liabilities	65.252.677	55.653.779

7 Contingencies

Statement of changes in equity

All amounts in DKK.

	<i>Contributed capital</i>	<i>Share premium</i>	<i>Retained earnings</i>	<i>Total</i>
<i>Equity 1 January 2023</i>	193.928	0	36.114.718	36.308.646
<i>Cash capital increase</i>	27.014	9.202.443	0	9.229.457
<i>Profit or loss for the year brought forward</i>	0	0	-2.691.934	-2.691.934
<i>Transferred from distributed reserves</i>	387.856	0	-387.856	0
<i>Equity 1 January 2024</i>	608.798	9.202.443	33.034.928	42.846.169
<i>Cash capital increase</i>	34.164	11.280.288	0	11.314.452
<i>Profit or loss for the year brought forward</i>	0	0	-2.249.304	-2.249.304
<i>Transferred to results brought forward</i>	0	-20.482.731	20.482.731	0
	642.962	0	51.268.355	51.911.317

Notes

All amounts in DKK.

	<u>2024</u>	<u>2023</u>
1. Staff costs		
Salaries and wages	4.936.321	4.006.686
Pension costs	264.000	252.000
	<u>5.200.321</u>	<u>4.258.686</u>
Average number of employees	<u>5</u>	<u>4</u>
2. Other operating income		
Capitalized staff costs	3.894.761	3.194.124
Capitalized intercompany interests	403.575	221.870
	<u>4.298.336</u>	<u>3.415.994</u>
3. Other financial costs		
Financial costs, group enterprises	403.575	228.562
Other financial costs	113.980	44.537
	<u>517.555</u>	<u>273.099</u>
4. Property, plant, and equipment under construction including pre-payments for property, plant, and equipment		
Cost 1 January 2024	47.048.532	40.847.307
Additions during the year	6.131.454	6.201.225
Cost 31 December 2024	<u>53.179.986</u>	<u>47.048.532</u>
Depreciation and writedown 1 January 2024	0	0
Depreciation for the year	0	0
Depreciation and writedown 31 December 2024	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2024	<u>53.179.986</u>	<u>47.048.532</u>
Depreciations will begin when the mine is operational.		

Notes

All amounts in DKK.

	<u>31/12 2024</u>	<u>31/12 2023</u>
5. Right-of-use assets		
Cost 1 January 2024	<u>87.363</u>	<u>87.363</u>
Cost 31 December 2024	<u>87.363</u>	<u>87.363</u>
Carrying amount, 31 December 2024	<u>87.363</u>	<u>87.363</u>

The right-of-use asset is the exploration license MEL 2019-162. As the exploration has not yet started there are no depreciations.

6. Deposits		
Cost 1 January 2024	<u>12.750</u>	<u>12.750</u>
Cost 31 December 2024	<u>12.750</u>	<u>12.750</u>
Carrying amount, 31 December 2024	<u>12.750</u>	<u>12.750</u>

7. Contingencies

Contingent assets

Taxvalue of tax losses, 14.264 TDKK, is not included in the annual accounts due to the uncertainty of when it will be utilized.

Accounting policies

The annual report for Greenland Anorthosite Mining A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Income statement

Other operating income

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from conflict compensation and capitalized staff costs and interests. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs

Other external costs comprise costs incurred for sales, administration, premises and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Statement of financial position

Property, plant, and equipment

Other property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Accounting policies

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from sub-suppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises and other payables are measured at amortised cost which usually corresponds to the nominal value.