

NEWS RELEASE 6 JULY 2022

## GREENX FILES £737 MILLION (EQUIVALENT TO A\$1.3 BILLION/PLN4.0 BILLION) STATEMENT OF REPLY FOR REVISED COMPENSATION CLAIM AGAINST POLAND

- Statement of Reply for ongoing arbitration against Poland has been filed with a revised claim for compensation in the amount of £737 million (A\$1.3 billion/PLN 4.0 billion) as prepared by external quantum experts
- Claim includes an updated assessment of the value of GreenX's lost profits and damages related to both the Jan Karski and Debiensko mines, and accrued interest related to any damages
- Next steps in the arbitration process are for Poland to lodge its final submission to the Tribunal (the Rejoinder) followed by a hearing to be conducted in front of the Tribunal
- The Claim against Poland continues:
  - To allege that Poland has breached its obligations under the ECT and BIT Treaties through its actions to block the development of the Company's Jan Karski and Debiensko mines in Poland
  - That Poland's actions have deprived GreenX of the entire value of its investments in Poland
- The Company's Claim is being prosecuted through an established and enforceable legal framework under the United Nations Commission on International Trade Law (UNCITRAL) Rules
- The Company is well funded to pursue the Claim with the US\$12.3 million Litigation Funding Agreement (LFA) in place which is currently being drawn down to cover legal, tribunal and external expert costs as well as defined operating expenses associated with the Claim

GreenX Metals Limited (**GreenX** or **the Company**) is pleased to report that as part of the ongoing international arbitration claims (**Claim**) against the Republic of Poland under both the Energy Charter Treaty (**ECT**) and the Australia-Poland Bilateral Investment Treaty (**BIT**) (together the **Treaties**), the Company has now **filed its Statement of Reply in the BIT arbitration**. This is the final material filing that GreenX will make for the BIT arbitration, with the next steps being for Poland to lodge their final filing (the Rejoinder) followed by a hearing to be conducted in front of the Tribunal. Based upon revised external expert reports in response to Poland's Statement of Defence, **GreenX is now seeking compensation in the amount of £737 million (equivalent to A\$1.3 billion or PLN 4.0 billion)**.

**Mr Stoikovich, Chief Executive Officer of GreenX** commented: "The Claim is proceeding at pace, following the Company's submission of its Statement of Reply in the BIT arbitration, which included a revised valuation of damages. The compensation being claimed by the Company is £737 million following an update prepared by external quantum experts. The GreenX management team continues to work with its legal counsel and a range of external experts in prosecuting the Claim."

*This announcement has been authorised for release by Mr Ben Stoikovich, CEO.*

## DETAILS OF THE CLAIM

The Company's Claim against the Republic of Poland is being prosecuted through an established and enforceable legal framework, with GreenX and Poland agreeing to apply the UNCITRAL rules to the proceedings.

Both the BIT and ECT claim Tribunals have been constituted, with both Claims 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 revised claim for damages against Poland with the Tribunal in the amount of £737 million (A\$1.3 billion/PLN4.0 billion), which includes a revised assessment of the value of GreenX's lost profits and damages related to both the Jan Karski 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 the LFA for US\$12.3 million with Litigation Capital Management (**LCM**). The facility is currently being drawn down to cover legal, tribunal and external expert costs as well as 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. In June 2021, GreenX announced that it had formally lodged its Statement of Claim in the BIT arbitration, including the first assessed claim for compensation. The Company's Statement of Reply, the last material filing to be made by the Company for the BIT arbitration proceedings, has now been filed. The Statement of Reply addresses various points raised by the Republic of Poland in their Statement of Defence. The Statement of Reply also contains a re-evaluation of the claim for damages based on responses to Poland's Statement of Defence.

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. 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 formally proceeded with 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 Lumina Copper (Copper) and InvEnergy (wind farms).

Please refer to the Claim progress over page.

## SIMPLIFIED CLAIM PROGRESS:

