



Company Announcement: *Wednesday May 11th, 2011*

Greenland Minerals Set to Commence 2011 Field Program

Greenland Minerals and Energy Limited ("GMEL", or "the Company", ASX:GGG) is pleased to provide an overview of the 2011 field program that will soon be commencing in south Greenland. All work programs are part of the expanding feasibility studies on the Kvanefjeld multi-element project (*rare earth elements, uranium, zinc*). A number of important work programs are planned, including:

- ***Resource development drilling to establish initial JORC resource estimates at recently discovered multi-element deposits located within the broader project area***
- ***Sterilisation drilling in potential infrastructure locations***
- ***Stakeholder engagement programs***
- ***Ongoing environmental baseline studies in areas under assessment for the mine site, processing plant and related infrastructure, and potential hydro-electric power facilities***
- ***Field assessments for constructability studies relating to site selection for key infrastructure items***

Key personnel have now mobilised to the Company's operations base in Narsaq, south Greenland, and drill crews will be arriving onsite in the coming days.



Background

Greenland Minerals and Energy Ltd is a mineral exploration and development company operating in southern Greenland. The Company is primarily focused on advancing the Kvanefjeld multi-element project (*both light and heavy rare earth elements, uranium, and zinc*) through the feasibility phase and into mine development.

Kvanefjeld is the first of several deposits to be extensively drilled within the Company's license over the northern Ilimaussaq Intrusive Complex; a unique geological entity that is highly prospective for specialty metals. A 619 million tonne JORC-code compliant resource has already been defined at Kvanefjeld (see Table 1), and initial drill intercepts were released in early 2011 from three new satellite deposits.

An *Interim Pre-feasibility Report* on the Kvanefjeld study was released in February 2010 that indicates the potential for the multi-element resources to sustain a large-scale mining operation for decades (*for more information visit the Company's website at <http://www.ggg.gl>*). The Company has since been building a strong in-house technical team that is firmly focused on establishing an increasingly efficient and scalable development scenario. The Kvanefjeld multi-element project is permitted by the Greenland Government for full feasibility assessment, with work programs ramping up through 2011.

2011 Field Program

Resource Development Drilling

In the 2011 field program GMEL will be conducting further drilling to establish initial JORC-code compliant resource estimates on multi-element deposits at Zones 2 and 3, and at Steenstrupfjeld. The first drill intercepts from these deposits were released in early 2011, and confirmed that extensive multi-element mineralization occurs up to 7 km from the resource at Kvanefjeld. Three diamond drill rigs will be deployed with the aim of drilling approximately 15,000 m across the season. Figure 1 highlights the planned drill hole locations for the 2011 field season.

Sterilisation Drilling

A number of sterilization holes are planned to the east of the northern Ilimaussaq Complex in potential infrastructure locations. Previous sterilization holes drilled in 2009 adjacent to the Kvanefjeld plateau served to unearth a significant extension of mineralization from outcropping zones at Steenstrupfjeld. The sterilization drilling forms part of the investigations to evaluate a series of locations for the processing plant and related infrastructure. These locations will be evaluated technically, and discussed with Greenlandic stakeholders to determine the most appropriate location, which will then be subject to more detailed and thorough investigations.

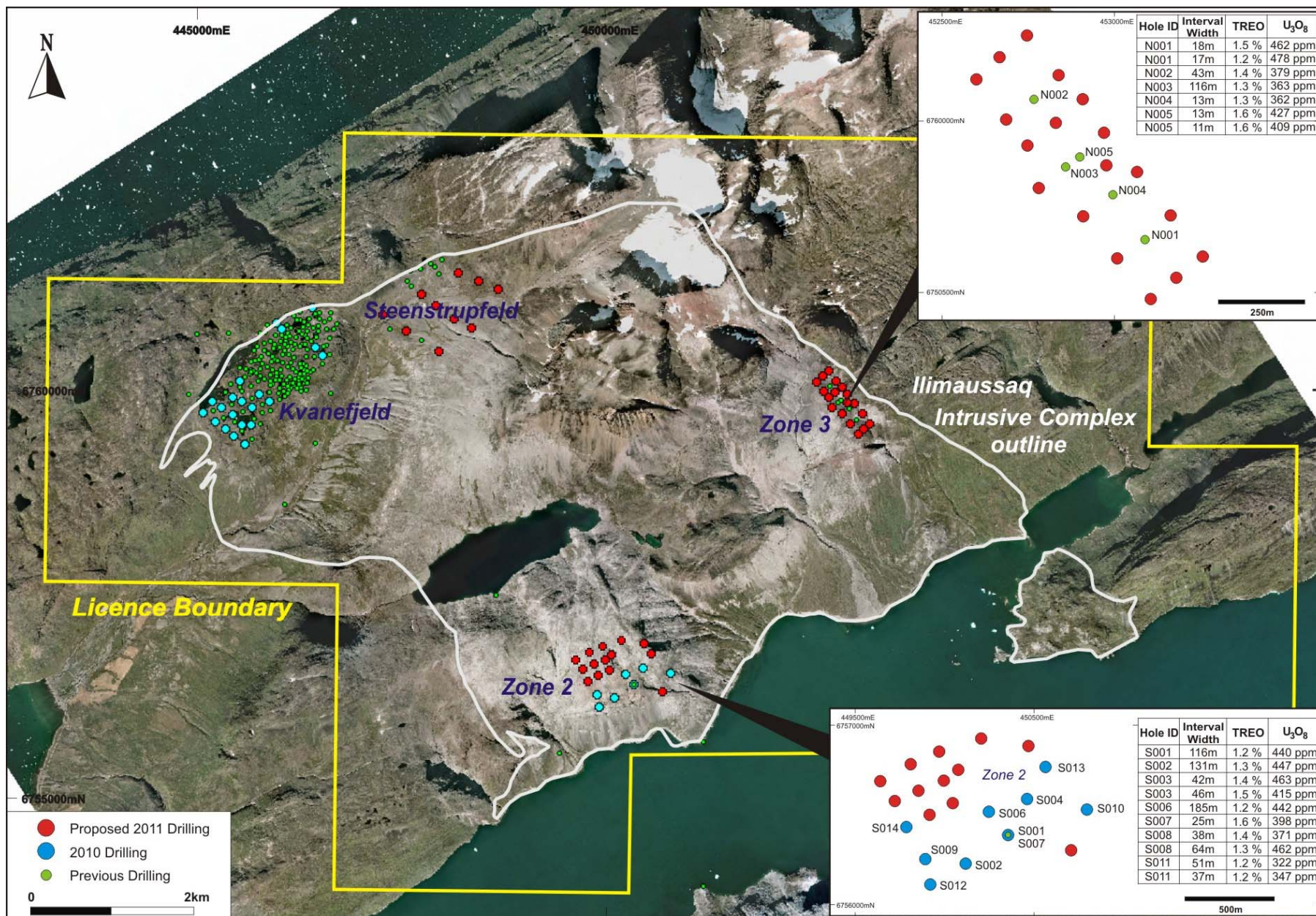


Figure 1. Overview of the Ilimaussaq ore field showing the location of Kvanefjeld and new REE-U-Zn deposits that will be drilled during the 2011 field season. See previous company announcements and website for more information on Zones 2 and 3, and Steenstrupfeld. Initial resource estimates for Zones 2 and 3 are aimed to establish the grade profiles of the new resources, such that they can be factored into development scenarios. Subsequent drilling will serve to grow the tonnage of each resource.

Stakeholder Engagement

Consistent with previous field seasons, GMEL will continue with stakeholder engagement to keep all parties up-to-date with progress on the Kvanefjeld project. A series of meetings recently took place in Greenland in early April to discuss the 'terms of reference' for upcoming social and environmental impact assessments with key stakeholder groups. This follows the procedures specified by Greenland's Bureau of Minerals and Petroleum.

Infrastructure and Construction Studies

Engineering consultants will be visiting the Kvanefjeld project during the northern summer to gather information relating to constructability studies. These studies are aimed at establishing further technical information on potential sites for the location of key infrastructure items. These items include sites for a processing plant, as well as new port facilities.

Updates on the progress of various work programs in Greenland will be presented over the coming months, along with technical updates on metallurgy and process development.

Yours faithfully,



Roderick McIlree

Managing Director
Greenland Minerals and Energy Ltd

Table 1. Statement of Identified Mineral Resources, Kvanefjeld Multi-Element Project, March 2011.

Cut-off (U ₃ O ₈ ppm) ¹	Multi-Element Resources, Classification, Tonnage and Grade									Contained Metal				
	Classification	M tonnes Mt	TREO ² ppm	U ₃ O ₈ ppm	LREO ppm	HREO ppm	REO ppm	Y ₂ O ₃ ppm	Zn ppm	TREO Mt	HREO Mt	Y ₂ O ₃ Mt	U ₃ O ₈ M lbs	Zn Mt
150	Indicated	437	10929	274	9626	402	10029	900	2212	4.77	0.18	0.39	263	0.97
150	Inferred	182	9763	216	8630	356	8986	776	2134	1.78	0.06	0.14	86	0.39
150	Grand Total	619	10585	257	9333	389	9721	864	2189	6.55	0.24	0.53	350	1.36
200	Indicated	291	11849	325	10452	419	10871	978	2343	3.45	0.12	0.28	208	0.68
200	Inferred	79	11086	275	9932	343	10275	811	2478	0.88	0.03	0.06	48	0.20
200	Grand Total	370	11686	314	10341	403	10743	942	2372	4.32	0.15	0.35	256	0.88
250	Indicated	231	12312	352	10950	443	11281	1032	2363	2.84	0.10	0.24	178	0.55
250	Inferred	41	11251	324	10929	366	10426	825	2598	0.46	0.02	0.03	29	0.11
250	Grand Total	272	12152	347	10947	431	11152	1001	2398	3.30	0.12	0.27	208	0.65
300	Indicated	177	13013	374	11437	469	11906	1107	2414	2.30	0.08	0.20	146	0.43
300	Inferred	24	13120	362	11763	396	12158	962	2671	0.31	0.01	0.02	19	0.06
300	Grand Total	200	13025	373	11475	460	11935	1090	2444	2.61	0.09	0.22	164	0.49
350	Indicated	111	13735	404	12040	503	12543	1192	2487	1.52	0.06	0.13	98	0.27
350	Inferred	12	13729	403	12239	436	12675	1054	2826	0.16	0.01	0.01	10	0.03
350	Grand Total	122	13735	404	12059	497	12556	1179	2519	1.68	0.06	0.14	108	0.31

¹There is greater coverage of assays for uranium than other elements owing to historic spectral assays. U₃O₈ has therefore been used to define the cutoff grades to maximise the confidence in the resource calculations.

²Total Rare Earth Oxide (TREO) refers to the rare earth elements in the lanthanide series plus yttrium.

Note: Figures quoted may not sum due to rounding.

ABOUT GREENLAND MINERALS AND ENERGY LTD.

Greenland Minerals and Energy Ltd (ASX – GGG) is an exploration and development company focused on unlocking the mineral riches of southern Greenland. The Company's flagship project is the Kvanefjeld multi-element deposit (Rare Earth Elements, Uranium, Zinc), that is rapidly emerging as a premier specialty metals project. An interim report on pre-feasibility studies has demonstrated the potential for a large-scale multi-element mining operation. For further information on Greenland Minerals and Energy visit <http://www.ggg.gl> or contact:

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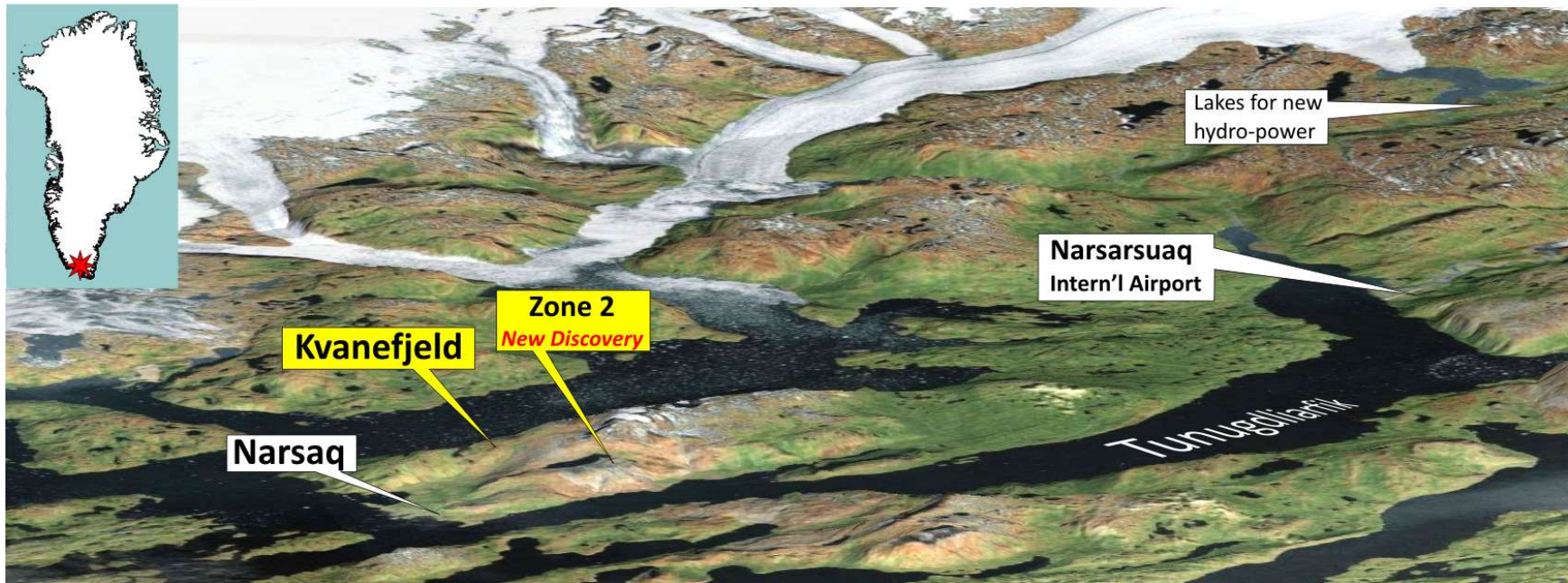
Greenland Minerals and Energy Ltd is aware of and respects the Greenlandic government's stance on uranium exploration and development in Greenland – which is currently a zero tolerance approach. However, a new amendment has been introduced to the standard terms for exploration licenses in Greenland that creates a framework for the evaluation of projects that include uranium amongst other economic elements. Within this framework the Company is permitted to fully evaluate the Kvanefjeld project, inclusive of radioactive elements.

The Kvanefjeld Project is recognised as the world's largest undeveloped JORC-compliant resource of rare earth oxides (REO), in a multi-element deposit that is also enriched in uranium and zinc.

Greenland Minerals will continue to advance this world class project in a manner that is in accord with both Greenlandic Government and local community expectations, and looks forward to being part of continued community discussions on the social and economic benefits associated with the development of the Kvanefjeld Project.

The information in this report that relates to exploration results, geological interpretations, appropriateness of cut-off grades, and reasonable expectation of potential viability of quoted rare earth element, uranium, and zinc resources is based on information compiled by Jeremy Whybrow. Mr Whybrow is a director of the Company and a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whybrow has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Whybrow consents to the reporting of this information in the form and context in which it appears.

The geological model and geostatistical estimation for the Kvanefjeld deposit were prepared by Robin Simpson of SRK Consulting. Mr Simpson is a Member of the Australian Institute of Geoscientists (AIG), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Simpson consents to the reporting of information relating to the geological model and geostatistical estimation in the form and context in which it appears.



View over the broader geography of GMEL's multi-element project on the northern Ilimaussaq Complex located in southern Greenland. The fjords form a large-scale natural harbor system that is open to the north Atlantic shipping lanes all year round, and provide easy access to the project area. The distance from Narsaq to Narsarsuaq International Airport is 45km.