



Company Announcement, Tuesday November 27th, 2012

Political Developments in Greenland Set to Firm the Government's Strategy for Uranium Exploitation from Kvanefjeld

Greenland Minerals and Energy Ltd ("GMEL" or "the Company") is pleased to provide an update in regard to political developments in Greenland that relate to the Company's 100% owned Kvanefjeld multi-element project (rare earth elements, uranium, zinc).

On Wednesday 21st November the position of Greenland in regard to uranium policy was addressed in Greenland's parliament. A show of unanimous support was given from all political parties to fast-track an independent review to finalise the government driven, multi-year phase of information gathering on uranium production and associated issues. Importantly this review includes aspects that relate to Greenland's foreign policy, which is managed by Denmark.

The Danish foreign minister Villy Søvndal was present in Greenland and has indicated that Denmark will support Greenland in pursuing uranium production, but noted that it is Denmark's responsibility to ensure that international conventions, such as non-proliferation, are respected. Investigations are already underway in Denmark, led by the Ministry of Foreign Affairs, into foreign policy protocols that would be required to facilitate uranium production in Greenland.

This development is very significant in that uranium is slated to be a by-product of rare earth production from Kvanefjeld. By-product revenues are set to provide Kvanefjeld with a highly competitive cost structure and represent a major economic advantage over rare earth only operations. The development regarding uranium policy is therefore of major relevance to projected global rare earth supply, with Greenland positioning to play a key role.

The information campaign conducted by the Greenland Government has already generated a solid knowledge base to evaluate and effectively manage potential uranium production in Greenland. In addition to a compilation and dissemination of technical information, government and key stakeholder representatives have conducted visits to Canada to learn directly about the regulation and operation of uranium production, and the effective management of environmental and social impacts.

This latest political advancement follows a number of key licensing developments for the Kvanefjeld project over the last two years. In Greenland uranium is regulated at the license level, rather than under the Mining Act, and in late 2011 uranium was incorporated into GMEL's exploration license for Kvanefjeld. This effectively provides the Company with the right to apply for exploitation in accordance with Greenland's broader mining regulatory framework.



The show of support from all political parties highlights a coherent approach between GMEL and the Greenland Government in advancing Kvanefjeld toward mine development. In December, GMEL will be joining a Greenland Government delegation headed by Premier Kuupik Kleist on a visit to South Korea, organised through the Danish Embassy, as part of an ongoing engagement strategy with potential development partners.

About Kvanefjeld

Kvanefjeld is widely recognised as being one of the largest resources of both rare earth elements and uranium globally. The resources are hosted in bulk, mostly outcropping multi-element deposits in south Greenland with direct shipping access to the project area, year round. Kvanefjeld is one of the few emerging rare earth projects globally for which comprehensive pre-feasibility studies have been completed, with technical aspects of the project now significantly de-risked. The ore-type is considered to be highly favourable in that it can be effectively beneficiated utilising froth flotation, with mineral concentrates then being conducive to a simple atmospheric leach. In contrast to new rare earth producing operations at Mountain Pass (California) and Mt Weld (Australia), Kvanefjeld will have significant production of the strategically important heavy REEs and uranium.

Yours faithfully,



Roderick McIlree

Managing Director
Greenland Minerals and Energy Ltd

ABOUT GREENLAND MINERALS AND ENERGY LTD.

Greenland Minerals and Energy Ltd (ASX – GGG) is an exploration and development company focused on developing high-quality mineral projects in 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 of global significance. A comprehensive pre-feasibility study has demonstrated the potential for a large-scale, cost-competitive, 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 will continue to advance the Kvanefjeld project in a manner that is in accord with both Greenlandic Government and local community expectations, and looks forward to being part of continued stakeholder discussions on the social and economic benefits associated with the development of the Kvanefjeld Project.

Statement of Identified Mineral Resources, Kvanefjeld Multi-Element Project (Independently Prepared By SRK Consulting).

Multi-Element Resources Classification, Tonnage and Grade										Contained Metal				
Cut-off (U ₃ O ₈ ppm) ¹	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
Kvanefjeld - March 2011														
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	12429	352	10950	443	11389	1041	2363	2.84	0.10	0.24	178	0.55
250	Inferred	41	12204	324	10929	366	11319	886	2598	0.46	0.02	0.03	29	0.11
250	Grand Total	272	12395	347	10947	431	11378	1017	2398	3.33	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	1							