GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004

NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT

For the Annual General Meeting of Shareholders to be held on Wednesday, 15 May 2013 at 10.30am (Western Standard Time) at the Celtic Club, 48 Ord Street, West Perth, Western Australia

This is an important document. Please read it carefully.

If you are unable to attend the Meeting, please complete the form of proxy enclosed and return it in accordance with the instructions set out on that form.

TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of Greenland Minerals and Energy Limited will be held at:

The Celtic Club	**Commencing**
Upstairs function room	**at 10.30am (Western Standard Time)**
48 Ord Street	**on 15 May 2013**
West Perth, WA, 6005	

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 10.30am (Western Standard Time).

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of General Meeting as soon as possible and either:

- send the proxy form by hand to the Company's office at Unit 6, 100 Railway Road, Subiaco, Western Australia, 6008;
- send the proxy form by post to PO Box 2006, Subiaco, Western Australia, 6904; or
- send the proxy form by facsimile to facsimile number +61 8 9382 2788.

so that it is received not later than 10.30am (Western Standard Time) on 13 May 2013.

Your proxy form is enclosed.

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Greenland Minerals and Energy Limited will be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on 15 May2013 at 10.30am (Western Standard Time) for the purpose of transacting the following business.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

GENERAL BUSINESS

Accounts and Reports

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 31 December 2012.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following in accordance with section 250R(2) of the Corporations Act:

"*That the Remuneration Report in the 2012 Annual Report of the Company be adopted.*"

Short Explanation: The Company is required to put a resolution to Shareholders to adopt the remuneration report of the Company at each annual general meeting. This is an advisory resolution only and does not bind the Directors or the Company.

Voting exclusion:
The Company will disregard any votes cast on this Resolution (in any capacity) by or on behalf of any of the following persons:
(a) a member of the key management personnel, details of whose remuneration are included in the Remuneration Report; or
(b) a closely related party of such a member,
unless:
(c) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; and
(d) the vote is not cast on behalf of a person described in paragraphs (a) or (b) above.

Resolution 2 – Re-election of Director – Michael Hutchinson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution:**

> "*That Michael Hutchinson, who retires by rotation in accordance with rule 7.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a director of the Company.*"

Short Explanation: Mr Michael Hutchinson is presented for re-election in accordance with the rotation requirements of the Constitution.

Resolution 3 – Re-election of Director – Anthony Ho

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution:**

> "*That Anthony Ho, who retires by rotation in accordance with rule 7.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a director of the Company.*"

Short Explanation: Mr Anthony Ho is presented for re-election in accordance with the rotation requirements of the Constitution.

Resolution 4 – Approval of employee share plan

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That for the purposes of Listing Rule 7.2 Exception 9(b) and for all other purposes, the Company approves the issue of securities under the Greenland Minerals and Energy Limited Employee Share Plan for a period of 3 years commencing on the date of this meeting on the terms set out in the Explanatory Statement accompanying this Notice."*

Short Explanation: The Company has adopted an employee share plan. By obtaining the approval of Shareholders, the issue of securities under the Plan will not count towards the Company's 15% placement capacity under ASX Listing Rule 7.1.

Voting Exclusion:
The Company will disregard any votes cast on this Resolution by a Director (except one who is ineligible to participate in the Plan) and any associate of those persons. However, the Company will not disregard a vote if:

(a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

(b) it is cast by the chair if the Meeting as a proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5 – Approval to enter into a director services agreement and issue Shares to Michael Hutchinson under an employee share plan

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company enter into a director services agreement with Michael Hutchinson and to issue up to 631,907 Shares to Michael Hutchinson or his nominee under the Greenland Minerals and Energy Limited Employee Share Plan on the terms set out in the Explanatory Statement accompanying this Notice."*

Short Explanation: The Company proposes to enter into a director services agreement with Michael Hutchinson. This agreement will provide for the Company to issue Shares to Mr Hutchinson under the Plan. The ASX Listing Rules requires the Company to seek shareholder approval before a director may acquire securities under an employee incentive scheme. The Company is also seeking Shareholder approval under the related party provisions of the Corporations Act.

Voting exclusion:
The Company will disregard any votes cast (in any capacity) on this Resolution by Michael Hutchinson or a Director (except one who is ineligible to participate in the Plan) and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:
(a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
(b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:
A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:
(a) the proxy is either:
    (i) a member of the key management personnel for the Company; or
    (ii) a closely related party of such a member; and
(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:
(c) the proxy is the chair of the Meeting; and
(d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 6 – Approval to enter into a director services agreement and issue Shares to Roderick McIllree under an employee share plan

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to enter into a director services agreement with Roderick McIllree and to issue up to 2,071,000 Shares to Roderick McIllree or his nominee under the Greenland Minerals and Energy Limited Employee Share Plan on the terms set out in the Explanatory Statement accompanying this Notice."*

Short Explanation: The Company proposes to enter into a director services agreement with Roderick McIllree. This agreement will provide for the Company to issue Shares to Mr McIllree under the Plan. The ASX Listing Rules requires the Company to seek Shareholder approval before a director may acquire securities under an employee incentive scheme. The Company is also seeking Shareholder approval under the related party provisions of the Corporations Act.

Voting exclusion:
The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of Roderick McIllree, or a Director (except one who is ineligible to participate in the Plan) and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

(a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

(b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:
A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

(a) the proxy is either:

 (i) a member of the key management personnel for the Company; or

 (ii) a closely related party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

(c) the proxy is the chair of the Meeting; and

(d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Resolution 7 – Approval to enter into a director services agreement and issue Shares to John Mair under an employee share plan

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to enter into a director services agreement with John Mair and to issue up to 908,333 Shares to John Mair or his nominee under the Greenland Minerals and Energy Limited Employee Share Plan on the terms set out in the Explanatory Statement accompanying this Notice."*

Short Explanation: The Company proposes to enter into a director services agreement with John Mair. This agreement will provide for the Company to issue Shares to Mr Mair under the Plan. The ASX Listing Rules requires the Company to seek Shareholder approval before a director may acquire securities under an employee incentive scheme. The Company is also seeking Shareholder approval under the related party provisions of the Corporations Act.

Voting exclusion:
The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of John Mair or a Director (except one who is ineligible to participate in the Plan) and any associate of those persons. However, the Company will not disregard a vote cast on this Resolution if:

(a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

(b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:
A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

(a) the proxy is either:

 (i) a member of the key management personnel for the Company; or

 (ii) a closely related party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

(c) the proxy is the chair of the Meeting; and

(d)	the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.

2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. The chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions, including Resolution 1 (Adoption of Remuneration Report) and Resolutions 5, 6 and 7 (Approval to enter into director services agreements and to issue Shares to Directors under employee share plan). In relation to Resolutions 1, 5, 6 and 7 the proxy form expressly authorises the chair of the Meeting to exercise the proxy even though the resolutions are connected directly or indirectly with the remuneration of a member of the key management personnel. Any undirected proxies held by any Director, any other of the Company's key management personnel or any of their closely related parties (who are not the chair of the Meeting) will not be voted on Resolutions 1, 5, 6 or 7. Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Directors Report in the 2012 Annual Report identifies the Company's key management personnel for the financial year to 30 December 2012. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 13 May 2013 at 5.00pm (Western Standard Time).

5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

By order of the Board

Miles Guy
Company Secretary
Dated: 5 April 2013

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

GENERAL BUSINESS

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is in the Directors Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

(a) explains the Company's remuneration policy and the process for determining the remuneration of its directors and executive officers;

(b) addresses the relationship between the Company's remuneration policy and the Company's performance; and

(c) sets out remuneration details for each Director and executive officers named in the Remuneration Report for the financial year ended 31 December 2012.

The Directors recommend that Shareholder vote in favour of Resolution 1. The chair of the Meeting will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

Section 250R(2) of the Corporations Act requires companies to a put a resolution to their members at each annual general meeting that the remuneration report be adopted. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when reviewing the Company’s remuneration policies.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Directors (other than the managing director) must go up for re-election.

Proxy restrictions

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Resolution 1 by marking either "For", "Against" or "Abstain" on the proxy form for this item of business.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report or a closely related party of that member as your proxy, and you do not direct that person on how to vote on this Resolution 1, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution 1.

If you appoint the chair of the Meeting as your proxy, and you do not direct the chair on how to vote on this Resolution 1, then by signing and returning the proxy form you are giving express authorisation for the chair of the Meeting to vote in accordance with his or her intentions. The chair of the Meeting intends to vote all undirected proxies FOR Resolution 1 even though the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR MICHAEL HUTCHINSON

Rule 7.3 of the Constitution requires that at each annual general meeting, one-third of directors for the time being shall retire from office. This rule does not apply to the managing director. A retiring director is eligible for re-election.

Mr Michael Hutchinson retires as a Director of the Company in accordance with the requirements of the Constitution and being eligible, offers himself for re-election. Details of the qualifications and experience of Mr Hutchinson is set out in the Company's 2012 Annual Report.

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR ANTHONY HO

Rule 7.3 of the Constitution requires that at each annual general meeting, one-third of directors for the time being shall retire from office. This rule does not apply to the managing director. A retiring director is eligible for re-election.

Mr Anthony Ho retires as a Director of the Company in accordance with the requirements of the Constitution and being eligible, offers himself for re-election. Details of the qualifications and experience of Mr Ho is set out in the Company's 2012 Annual Report.

4. RESOLUTIONS 4-7 – EMPLOYEE SHARE PLAN AND SHARES OFFERED TO DIRECTORS UNDER PLAN

5. OVERVIEW

5.1 As announced on 7 February 2013, a number of the Directors and senior employees of the Company have agreed to reduce their cash salary/remuneration set out in their respective executive service or employment contracts. The adjustments to the salaries in these employment contracts will result in a cash saving to the Company over the next two years.

5.2 In consideration for the reduction in salary/remuneration, the Board has resolved to issue Shares to the Affected Directors and employees. The number of Shares to be issued to each person has been calculated by reference to the value the foregone remuneration entitlements. The Shares are not intended to be an incentive or bonus payment.

5.3 Separately, the Chairman, Michael Hutchinson, has also agreed to reduce his chairman's fee over an 18 month period to assist the Company to maximise its cash reserves. The Board has resolved to issue Shares to the Chairman to compensate him for this foregone fee.

5.4 The Board has recently adopted an employee share plan ("**Plan**") under which, the Board may invite eligible employees and Directors to acquire Shares. The Board has invited the affected employees to apply for Shares under the Plan. Shares were issued to those employees in February 2013.

5.5 The Company proposes invite the Affected Directors to apply for Shares under the Plan and to enter into director services agreements with them to reflect these arrangements.

6. THE AFFECTED DIRECTORS

6.1 The Board of Directors comprises:

Michael Hutchinson	Non-executive Chairman
Roderick McIllree	Executive Director/CEO
John Mair	Executive Director
Simon Cato	Executive Director
Jeremy Whybrow	Non-executive Director
Anthony Ho	Non-executive Director

6.2 Michael Hutchinson, Roderick McIllree and John Mair have agreed to reduce their salary with the Company.

6.3 Michael Hutchinson has agreed to reduce his chairman's fee for the period 1 August 2013 to 31 January 2015 (18 months) from GBP 150,000 per year to A$100,000 per year. This will result in cash saving of $189,572 to the Company (relying on an exchange rate of 1GBD:1.50921 AUD at the time of the Board's determination on 31 January 2013). The Board proposes to offer to issue 631,907 Shares to Mr Hutchinson by way of compensation for the reduction in his chairman's fee. It is intended to issue the Shares under the Plan in three tranches over an 18 month period. The chairman's fee payable to Mr Hutchinson may be re-negotiated at the end of the 24 month period (that is, February 2015 onwards) and could, subject to mutual agreement, revert to the original level. The Company will enter into a director services agreement with Mr Hutchinson to reflect this arrangement. The Company seeks Shareholder approval to enter into the director services agreement and to issue the Shares to Mr Hutchinson under Resolution 5.

6.4 Roderick McIllree has agreed to reduce his salary for the period 1 February 2013 to 31 January 2015 (24 months) from A$545,000 (including superannuation) per year to A$234,350 (including superannuation) per year. This will result in cash saving of $621,300 to the Company over 24 months. The Board proposes to offer to issue 2,071,000 Shares to Mr McIllree by way of compensation for foregone remuneration. It is intended to issue the Shares under the Plan in four tranches over a 24 month period. The Shares in each tranche will be issued on the basis of 3 months accrued and 3 months in advance. The salary payable to Mr McIllree may be re-negotiated at the end of the 24 month period (that is, February 2015 onwards) and could, subject to mutual agreement, revert to the original level. The Company will enter into a director services agreement with Mr McIllree to reflect this arrangement. The Company seeks Shareholder approval to enter into the director services agreement and to issue the Shares to Mr McIllree under Resolution 6.

6.5 John Mair has agreed to reduce his salary for the period 1 February 2013 to 31 January 2015 (24 months) from A$381,500 (including superannuation) per year to A$245,250 (including superannuation) per year. This will result in cash saving of $272,500 to the Company over 24 months. The Board proposes to offer to issue 908,333 Shares to Mr Mair by way of compensation for foregone remuneration. It is intended to issue the Shares under the Plan in four tranches over a 24 month period. The Shares in each tranche will be issued on the basis of 3 months accrued and 3 months in advance. The salary payable to Mr Mair will be re-negotiated at the end of the 24 month period (that is, February 2015 onwards) and could, subject to mutual agreement, revert to the original level. The Company will enter into a director services agreement with Mr Mair to reflect this arrangement. The Company seeks Shareholder approval to enter into the director services agreement and to issue the Shares to Mr Mair under Resolution 7.

6.6 The terms of the engagement of Simon Cato, Jeremy Whybrow and Anthony Ho will not be the subject of these arrangements. Jeremy Whybrow and Anthony Ho are currently engaged as non-executive Directors.

7. HOW WAS THE NUMBER OF SHARES CALCULATED AND WHEN WILL THE SHARES BE ISSUED?

7.1 The manner of calculating the number of Shares to be issued to the Affected Directors and employees is the same.

7.2 In each case, the Board assessed the fair value of the foregone remuneration benefits by reference to the value of the salary/fees sacrificed over the relevant period (being 18 months in the case of Mr Hutchinson and 24 months in the case of Mr McIllree, Mr Mair, and employees).

7.3 The number of Shares was then calculated using a fair market price at the time of the Board's determination. This price was fixed at $0.30. It was based upon the price of the capital raising and the share purchase plan conducted by the Company in late 2012 and approximated the 60 trading day volume weighted average price at the time of the Board determination. All Shares to be issued to the affected Directors and employees are to be issued at deemed value of $0.30 each.

7.4 In each case, it is intended to offer the number of Shares to the Affected Directors and employees that is equivalent to the value of foregone remuneration benefits of each person. It is intended to be compensation only and not an incentive or bonus payment. The number of Shares to be issued to each Affected Director is set out in the table below at paragraph 7.12.

7.5 The Affected Directors and the employees will be offered the Shares on the same terms. The proposed director services agreement to be entered into with each Affected Director will require the Company to offer Shares under the Plan. The Shares are to be issued in tranches every 6 months, with the date of each tranche being a "vesting date":

7.6 Each tranche will only vest and Shares issued if the relevant Director or employee is employed by, or is contracted to, the Company on the vesting date.

7.7 The relevant Director or employee is not entitled to any further Shares if he/she resigns before a vesting date. That is, the balance of all unvested Shares will be forfeited.

7.8 In the event of termination without cause (for example, redundancy), the relevant Director or employee is entitled to be issued with the balance of unvested Shares on the date of termination.

7.9 The Shares will rank equally with the quoted fully paid ordinary shares of the Company. The Company will apply for quotation of the Shares.

7.10 The relevant Director or employee may, in writing and before a tranche of Shares vests, advise the Company that he/she does not wish the Shares to be issued and therefore will forego any entitlement to that tranche of Shares.

7.11 The Board proposes to issue the Shares to the Affected Directors on the condition that 53.5% of the Shares are held subject to a voluntary escrow arrangement for 12 months from their date of issue.

7.12 **Table – Number of Shares to be issued to the Affected Directors as compensation for foregone remuneration benefits**.

Director					**Total**
Michael Hutchinson		**31 Oct 13 Tranche 1**	**30 Apr 14 Tranche 2**	**31 Oct 14 Tranche 3**	
Foregone remuneration (Chairman's fee)		$63,191	$63,191	$63,190	$189,572
Shares to be issued		210,638	210,637	210,633	631,907
Roderick McIllree	**30 Apr 13 Tranche 1**	**31 Oct 13 Tranche 2**	**30 Apr 14 Tranche 3**	**31 Oct 14 Tranche 4**	
Foregone remuneration	$155,325	$155,325	$155,325	$155,325	$621,300
Shares to be issued	517,750	517,750	517,750	517,750	2,071,000
John Mair	**30 Apr 13 Tranche 1**	**31 Oct 13 Tranche 2**	**30 Apr 14 Tranche 3**	**31 Oct 14 Tranche 4**	
Foregone remuneration	$68,125	$68,125	$68,125	$68,125	$272,500
Shares to be issued	227,083	227,083	227,083	227,084	908,333
TOTAL:					
Foregone remuneration entitlements					$1,083,372
Shares to be issued					3,611,240

<u>REGULATORY REQUIREMENTS</u>

8. RESOLUTION 4 – APPROVAL OF EMPLOYEE SHARE PLAN

8.1 Shareholder approval is not required under the Corporations Act or the ASX Listing Rules for the establishment or operation of the Plan.

8.2 ASX Listing Rule 7.1 permits entities to issue 15% of its issued capital without shareholder approval in a 12 month period, subject to a number of exceptions. One of the exceptions to this rule is the issue of securities under an employee incentive scheme that has been approved by shareholders.

8.3 The Company seeks Shareholder approval to the Plan to allow the Company to rely on this exception. If Shareholders approve the Plan, then Shares issued to employees that are unrelated parties to the Company over the next 3 years do not count towards the Company's 15% placement capacity.

8.4 The Company seeks separate Shareholder approval by Resolutions 5 to 7 for the Affected Directors to participate in the Plan.

8.5 A summary of the terms of the Plan is set out in Annexure 1.

9. RESOLUTIONS 5 – 7 APPROVAL TO ENTER INTO A DIRECTOR SERVICES AGREEMENT AND ISSUE SHARES – APPROVAL UNDER ASX LISTING RULE 10.14

9.1 Listing Rule 10.14 prohibits an entity from permitting a director to acquire securities under an employee incentive scheme without the approval of shareholders to the acquisition.

9.2 Listing Rule 10.11 prohibits an entity from issuing securities to a director without shareholder approval. One of the exceptions to this rule is the issue of securities to a director who receives securities under an employee incentive scheme with approval under Listing Rule 10.14.

9.3 The Company seeks Shareholder approval under Listing Rule 10.14 to permit the Affected Directors to acquire Shares under the Plan. Such approval will also allow the Company to rely on the exception to Listing Rule 10.11.

9.4 For the purposes of ASX Listing Rule 10.15A, the following information is provided to Shareholders:

(a) The Shares will be issued to Michael Hutchinson (Resolution 5), Roderick McIllree (Resolution 6) and John Mair (Resolution 7) or their nominees.

(b) The maximum number of Shares that may be acquired by each of the Affected Directors is set out in the table at paragraph 7.12 above. The Shares will be issued in tranches every 6 months and on the terms set out in section 7 above and subject to the first tranche only being issued after Shareholder approval.

(c) The Shares will be issued at a deemed issue price of $0.30 each. The Shares are issued as compensation for foregone remuneration entitlements of each Affected Director. As such no monetary consideration is payable for the issue of the Shares.

(d) As at the date of this Notice, no Shares have been issued under the Plan to a Director, an associate of a Director or any other person referred to in Listing Rule 10.14.

(e) The Directors are entitled to participate in the Plan.

(f) There are no loans in relation to the acquisition of Shares under the Plan.

(g) Details of any Shares issued under the Plan will be published in each annual report of the Company relating to a period in which Shares have been issued and that approval for the issue of the Shares was obtained under Listing Rule 10.14. Any additional persons who become entitled to participate in the Plan after Resolutions 5, 6 and 7 are approved and who are not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

(h) It is proposed that the Company will issue the Shares every 6 months for a 24 month period (see the table in paragraph 7.12 and subject to the first tranche only being issued after Shareholder approval) but in in any event the Shares will not be issued under the Plan no later than 3 years after the date of this Meeting.

10. RESOLUTIONS 5 – 7 APPROVAL TO ENTER INTO A DIRECTOR SERVICES AGREEMENT AND ISSUE SHARES – APPROVAL UNDER THE CORPORATIONS ACT

10.1 The Company also seeks Shareholder approval under the related party provisions of the Corporations Act. These provisions prohibit an entity from giving a financial benefit to a related party without shareholder approval, unless an exception applies.

10.2 The Company proposes to issue the Shares to the Affected Directors to compensate them for foregone remuneration entitlements under the terms of their existing executive services/director engagement contracts. For the purposes of Chapter 2E of the Corporations Act, the following information is provided to Shareholders:

10.3 **Related parties**

The related parties to whom the proposed Resolutions would permit the financial benefit to be given are Michael Hutchinson (Resolution 5), Roderick McIllree (Resolution 6), and John Mair (Resolution 7) or their nominees.

10.4 **Nature of the financial benefit**

The Company is proposing to enter into director services agreements with the Affected Directors. These agreements will vary the existing terms of engagement of the Affected Directors with the Company. The director services agreements will provide for the Company to offer to issue Shares under the Plan on the terms outlined in this notice (in particular see sections 6 and 7 above). The Shares are to be offered by way of compensation for foregone remuneration entitlements.

At the time of the Board's determination, the number and value of the Shares to be issued to the Affected Directors and employees constituted reasonable remuneration in the circumstances. This is because the number of Shares to be issued was equal to the value of the foregone remuneration entitlements based on a fair market price at the time (deemed value of $0.30; see section 7 above). Reasonable remuneration benefits payable to Directors and other related parties does not require shareholder approval. However, the Shares are to be issued under the Plan in tranches over a 24 month period. There is, therefore, the potential for the Affected Directors to receive a financial benefit by entering into the director services agreement in the event that the market price of the Shares is above $0.30 at the time that the Shares are issued.

The value of the foregone remuneration entitlements and the number of Shares to be issued to the Affected Directors by way of compensation is set out in the table at paragraph 7.12 above.

The terms upon which, the Board will invite the Affected Directors to apply for Shares under the Plan is set out in section 7 above. These are the same terms upon which, the affected senior employees (who are unrelated parties to the Company) will also be invited and have been issued with Shares under the Plan. On this basis the acquisition of Shares under the Plan by the Affected Directors could be seen to be on reasonable arms length terms (in which case, Shareholder approval is not required). However, given the potential for a financial benefit to accrue to the Affected Directors, in the interests of transparency and for the avoidance of doubt, the Board has resolved to put Resolutions 5 to 7 to Shareholders under Chapter 2E of the Corporations Act (approval to a financial benefit given to related parties).

10.5 Directors' recommendation

Michael Hutchinson has a material personal interest in Resolution 5 and does not make any recommendation in relation to that Resolution. Mr Hutchinson recommends that Shareholders vote in favour of Resolutions 6 and 7 for the reasons set out below.

Roderick McIllree has a material personal interest in Resolution 6 and does not make any recommendation in relation to that Resolution. Mr McIllree recommends that Shareholders vote in favour of Resolutions 5 and 7 for the reasons set out below.

John Mair has a material personal interest in Resolution 7 and does not make any recommendation in relation to that Resolution. Mr Mair recommends that Shareholders vote in favour of Resolutions 5 and 6 for the reasons set out below.

Simon Cato, Jeremy Whybrow and Anthony Ho do not have a personal interest in any of the Resolutions. Messrs Cato, Whybrow and Ho recommend that Shareholders vote in favour of all Resolutions for the reasons set out below.

The reasons for each Director's recommendation in relation to the Resolutions (as relevant) are:

- The number of Shares to be issued to each of the Affected Directors is compensation for, and equivalent to the value of, foregone remuneration entitlements and is therefore reasonable remuneration in the circumstances. The Shares are not offered as additional remuneration or as an incentive or bonus payment.
- The Shares are offered to the Affected Directors on the same terms as the Shares that have been offered to the affected senior employees. They are to be issued every 6 months in accordance with vesting conditions.
- The foregone remuneration entitlement benefits the Company by preserving its cash reserves.

Further information is provided below to assist Shareholders to decide on the Resolutions. The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass Resolutions 5 to 7.

10.6 Directors remuneration

The remuneration of the Affected Directors is as follows:

(a) Cash remuneration – the table below shows the current cash remuneration payable together with the reduced remuneration payable under the proposed arrangements.

	Current per annum (A$ or GBP)	Proposed per annum (A$)
Michael Hutchinson	GBP150,000[1]	A$100,000
Roderick McIllree	A$545,000[2]	A$234,350[2]
John Mair	A$381,500[2]	A$245,250[2]

Notes:

1. At 5 April 2013 the exchange rate is 1GBP:1.45 A$.

2. The Australian based Directors (Messrs. McIllree and Mair) remuneration includes superannuation payments at the statutory minimum level (currently 9%).

(b) Securities – each of the Affected Directors have been issued with performance options and/or performance shares as part of their remuneration package by way of an incentive for performance. The number of performance shares/performance options that are held by each of the Affected Directors is set out in the table in paragraph 10.7 below. If the Resolutions in this Notice are passed then the Affected Directors will be entitled to receive Shares by way of compensation for foregone remuneration benefits. The number of Shares to be issued to each Affected Director is shown in the table set out in paragraph 7.12 above.

10.7 Directors' interests

As at the date of this Notice, the Affected Directors have a relevant interest in the securities of the Company as set out in the table below.

Director	Shares	Performance Options	Performance Rights
Michael Hutchinson	0	0	1,400,000
Roderick McIllree	12,111,456	2,800,000	2,700,000
John Mair	5,110,000	2,000,000	2,100,000

Notes:

1. The Performance Options are a long term incentive subject to a service period and share price vesting conditions and were the subject of Shareholder approval on 12 May 2011. They are not exercisable until the vesting conditions are met. As at the date of this Notice of Meeting, the Performance Options remain un-vested. The exercise price is $1.75 and the expiry date is 30 June 2013.

2. The Performance Rights are a long term incentive subject to a service period and share price vesting conditions. They automatically convert into Shares once the vesting conditions are met. As at the date of this Notice of Meeting, the Performance Rights remain un-vested. The expiry date is 15 May 2014.

10.8 Dilution

The issue of the Shares to the Affected Directors as set out in this Notice (that is, the issue of a total of 3,609,868 Shares) would have the effect of diluting the shareholding of existing Shareholders by 0.63% (based on 571,975,263 Shares on currently on issue).

10.9 Trading history

Details of the highest, lowest and the latest closing price of the Company's Shares trading on the ASX over the last 12 months is set out in the table below.

	Date	Closing Price
Highest Price	20 April 2012	$0.52
Lowest Price	13 December 2012	$0.24
Latest Price	4 April 2013	$0.29

10.10 Valuation of Shares

The value of the potential financial benefit to be given under the director services agreements is calculated by the difference in value between the issue price of the Shares ($0.30) and the market price of the Shares at the time that they are issued. If the market price is $0.30 or less, then there is no financial benefit.

The Shares to be issued to the Affected Directors are fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued Shares. The Company will apply to ASX for the Shares to be quoted.

The Company is an ASX-listed resource company. Although there are various methodologies for valuing shares, the Company considers the most appropriate indicator of the market value of the Shares is the trading price of the Shares on the ASX (quoted market price basis).

Using the quoted market price basis, the most recent closing price of the Shares on the ASX before the date of issue of this Notice was [29] cents per Share. The highest and lowest price of Shares on the ASX over the last 12 months is set out in the table above.

The deemed issue price of the Shares to be issued to the Affected Directors is 30 cents per Share.

Based on the above assumptions, the potential financial benefit Shares have been valued as follows:

		Michael Hutchinson	Roderick McIllree	John Mair
Market price ($)[1]	**Benefit per Share ($)[2]**			
0.24	0.00	0.00	0.00	0.00
0.30	0.00	0.00	0.00	0.00
0.35	0.05	$31,595	$103,550	$45,417
0.40	0.10	$63,191	$207,100	$90,833
0.50	0.20	$126,381	$414,200	$181,667
0.52	0.22	$139,020	$455,620	$199,833

Notes:

1. The market price are assumed prices. The range of $0.24 to $0.52 reflects the 12 month high and low price for the Company's Shares. See paragraph 10.9 above.

2. The benefit per Share is calculated as the difference between the assumed market price and $0.30, being the deemed value at which the Shares are to be issued to the Affected Directors.

3. The potential financial benefit to the Affected Directors is calculated by multiplying the benefit per Share by the total number of Shares to be issued to each of the Affected Directors. The Shares are to be issued in tranches and so the potential financial benefit could be higher or lower as it depends on the market price at the time that the Shares are issued.

10.11 Proxy restrictions

If you choose to appoint a proxy you are encouraged to direct your proxy how to vote on Resolutions 5, 6 or 7 by marking either "For", "Against" or "Abstain" on the proxy form for this item of business.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report or a closely related party of that member as your proxy, and you do not direct that person on how to vote on Resolutions 5, 6 or 7, the proxy cannot exercise your vote and your vote will not be counted in relation to these Resolutions.

If you appoint the chair of the Meeting as your proxy, and you do not direct the chair on how to vote on Resolutions 5, 6 or 7, then by signing and returning the proxy form you are giving express authorisation for the chair of the Meeting to vote in accordance with his or her intentions. The chair of the Meeting intends to vote all undirected proxies FOR Resolutions 5, 6 and 7 even though the resolutions are connected directly or indirectly with the remuneration of members of the key management personnel.

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004

GLOSSARY

In the Notice and this Explanatory Statement the following expressions have the following meanings:

"**Affected Directors**" means Michael Hutchinson, Roderick McIllree and John Mair.

"**ASX**" means the ASX Limited (ACN 008 624 691).

"**ASX Listing Rules**" or "**Listing Rules**" means the Listing Rules of the ASX.

"**Board**" means the Board of Directors of the Company.

"**Chairman**" means the chairman of the Company, Michael Hutchinson.

"**Company**" or "**GGG**" means Greenland Minerals and Energy Limited (ABN 85 118 463 004).

"**Corporations Act**" means Corporations Act 2001 (Cth).

"**Directors**" mean the directors of the Company from time to time.

"**Explanatory Statement**" means this Explanatory Statement.

"**GBP**" means pounds sterling.

"**Meeting**" means the meeting convened by this Notice.

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement.

"**Plan**" means the Greenland Minerals and Energy Share Plan summarised in Annexure 1.

"**Resolution**" means a resolution referred to in the Notice.

"**Share**" means a fully paid ordinary share in the capital of the Company.

"**Shareholder**" means a registered holder of Shares in the Company.

"**WST**" or "**Western Standard Time**" means Western Standard Time, Perth, Western Australia.

"**A$**" "**AUD**" or "**$**" means Australian dollars unless otherwise stated.

ANNEXURE 1

SUMMARY OF THE TERMS OF THE EMPLOYEE SHARE PLAN

1. Eligible Employee	An Eligible Employee is a full or part-time employee, consultant, contractor or director of the Company or a related body corporate ("**Eligible Employees**").
2. Offers	Subject to the rules of the Employee Share Plan, the Board may invite Eligible Employees to apply for Plan Shares. The number, issue price of Plan Shares and conditions will be determined by the Board in its discretion.
3. Rights of Plan Shares	Each Plan Share issued under the Employee Share Plan ranks equally with all other Shares issued by the Company. Each holder of a Plan Share is entitled to all voting rights, rights to dividends, and rights to participate in bonus issues and rights issues made by the Company on the same basis as other Shareholders.
4. ASX quotation	The Company will apply for official quotation on ASX on the issue of Plan Shares.
5. Restrictions on transfer	The Board may, at its discretion, require a participant to agree to not sell, transfer or assign the Plan Shares for 12 months after the date of issue. During such restriction period, the Plan Shares will be subject to a holding lock.
6. Amendments	The Board may make such amendments to the Employee Share Plan as it sees fit.
7. Limitation on number of Plan Shares	Plan Shares when aggregated with the number of Shares issued during the 5 years under any other employee share plan of the Company must not exceed 5% of the total number of Shares on issue at the time of the relevant invitation. Various excluded offers may be disregarded so as to not count for the 5% limit.
8. Operation	The operation of the Employee Share Plan is subject to the laws of Western Australia.

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004
PROXY FORM

APPOINTMENT OF PROXY
Greenland Minerals and Energy Limited
ABN 85 118 463 004

I/We

being a Shareholder of Greenland Minerals and Energy Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of Proxy

or failing the person so named or, if no person is named, the chair of the Meeting or the chair's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Annual General Meeting to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia on 15 May 2013 at 10.30am (WST) and at any adjournment thereof.

Important for Resolutions 1, 5-7

If you appoint a member of the Company's key management personnel (other than the chair of the Meeting) or a closely related party of a member of the Company's key management personnel as your proxy, and you do not direct your proxy how to vote in respect of Resolutions 1, 5, 6 or 7, your proxy will NOT cast your vote on the resolutions and your votes will not be counted.

If you appoint the chair of the Meeting as your proxy (or the chair of the Meeting becomes your proxy by default) and you do not direct your proxy how to vote in respect of Resolutions 1, 5, 6 or 7, your vote will be cast in favour of each these Resolutions, and you hereby expressly authorise the chair of the Meeting to exercise your proxy even though Resolutions 1, 5, 6 or 7are connected directly or indirectly with the remuneration of the members of the Company's key management personnel.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Director – Michael Hutchinson	☐	☐	☐
Resolution 3	Re-election of Director – Anthony Ho	☐	☐	☐
Resolution 4	Approval of employee share plan	☐	☐	☐
Resolution 5	Approval to enter director services agreement and issue Shares to Michael Hutchinson under employee share plan	☐	☐	☐
Resolution 6	Approval to enter director services agreement and issue Shares to Roderick McIllree under employee share plan	☐	☐	☐
Resolution 7	Approval to enter director services agreement and to issue Shares to John Mair under employee share plan	☐	☐	☐

If the chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a Resolution, please place a mark in the box. By marking this box, you acknowledge that the chair of the meeting may exercise your proxy even if he has an interest in the outcome of the Resolutions and that the votes cast by the chair of the meeting for those Resolutions other than as proxy holder ☐

will be disregarded because of that interest. **The chair intends to vote any such undirected proxies in favour of all Resolutions including Resolutions 1, 5, 6 and 7.** If you do not mark this box, and you have not directed your proxy how to vote, the chair will not cast your votes on the Resolutions and your votes will not be counted in calculating the required majority if a poll is called on the Resolutions.

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _______%

Please return this Proxy Form to the Company Secretary, Greenland Minerals and Energy Limited, Unit 6, 100 Railway Road, Subiaco, Western Australia or by post to PO Box 2006, Subiaco, Western Australia 6904 or by fax to +61 8 9382 2788 by 10.30am (WST) on 13 May 2013.

Signed this day of 2013.

By:

Individuals and joint holders	**Companies (affix common seal if appropriate)**
Signature	**Director**
Signature	**Director/Secretary**
Signature	**Sole Director and Sole Secretary**

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004
Instructions for Completing Appointment of Proxy Form

1. In accordance with section 249L of the Corporations Act, a shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.

3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

   - 2 directors of the company;
   - a director and a company secretary of the company; or
   - for a proprietary company that has a sole director who is also the sole company secretary – that director.

   For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of sections 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.

5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

6. In accordance with section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments:

   Registered Office: Unit 6, 100 Railway Road, Subiaco, Western Australia

   Fax Number: +61 8 9382 2788

   Postal Address: PO Box 2006, Subiaco, Western Australia 6904

   by no later than 48 hours prior to the time of commencement of the Meeting.