



Company Announcement, 25th July, 2013

Greenland Minerals and Energy Set For Key Role in EU-Backed Rare Earth Supply Chain Initiative

In January, 2013 the European Union (EU) initiated the EURARE Project *“Development of a sustainable exploitation scheme for Europe’s rare earth ore deposits”* which aims to establish a rare earth element value creation chain in Europe. Greenland Minerals and Energy (Trading) A/S, the wholly owned Greenland subsidiary of Greenland Minerals and Energy Ltd (“GMEL” or “the Company”) is a key participant in the EURARE Project, owing to the Company’s Kvanefjeld uranium-rare earth project.

The Kvanefjeld project has a resource base of 10.3Mt of rare earth oxide (REO) making it the world’s largest JORC-code or NI43-101 compliant REO resource, as well as containing 575Mlb’s of U₃O₈. Feasibility studies on Kvanefjeld are well advanced, demonstrating a long-life, cost-competitive project. Kvanefjeld is slated to be a polymetallic operation that produces uranium, zinc and rare earth concentrates, with the clear potential to be a globally significant producer of the critical, high-value rare earths for which the demand outlook is strong.

The program for EURARE is being coordinated by the National Technical University of Athens (NTUA) who have emphasized that the participation of GMEL is important to the Project’s success.

“Greenland Minerals and Energy bring one of the world’s great rare earth deposits to the EURARE program. Their technical experience in developing metallurgical processes for rare earth treatment provide a significant contribution to the project. A solid industry participant is needed for the success of the EURARE Project”

– Professor Ioannis Paspaliaris, NTUA - EURARE Project Coordinator

GMEL is one of four mining development companies involved in the EURARE Project; with the remainder of the consortium made up of geological surveys, university-affiliated research groups, metallurgical and engineering groups, equipment manufacturers, and end-users. Owing to its respected technical expertise in the processing of REE-uranium bearing ores, the Company has been appointed as the program leader for the work stream that addresses the beneficiation (concentration) of ores. Sample material from Kvanefjeld will be one of the main source materials used in the EURARE test work programs.

GMEL has already developed a beneficiation circuit for the Kvanefjeld project that delivers an industry-leading upgrade ratio, with test work for the circuit complete following two successful pilot plant operations. The development of the Kvanefjeld beneficiation circuit has been presented in industry-focussed technical forums including ALTA metallurgical conferences where some of the world’s latest industry developments are showcased.

The EURARE Project has an overall budget of €9,000,000 for the 60 month study period. Greenland Minerals and Energy is set to directly receive up to €375,000 toward metallurgical studies and logistical costs relating to the scope of the Project.

For GMEL the EURARE Project provides an excellent avenue to target new minerals at Kvanefjeld and improve overall metal recoveries through collaborative research programs. The EURARE project is aiming to perform pilot plants for both beneficiation and hydrometallurgical circuits in 2014 and 2015. This advanced and large scale metallurgical testwork, which will utilise sample material from Kvanefjeld, will further increase the processing knowledge and of great benefit to GMEL. The pilot plants are to be funded through the main EURARE program independent of company allotted funds, and, therefore, represent further significant indirect value.

GMEL is excited to be working with a diverse group of technical experts all aligned to establish a value creation chain for rare earth elements in the EU.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'R. McIlree', with a stylized flourish at the end.

Roderick McIlree

Managing Director

Greenland Minerals and Energy Ltd

Statement of Identified Mineral Resources, Kvanefjeld Multi-Element Project (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	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
Sørensen - March 2012														
150	Inferred	242	11022	304	9729	398	10127	895	2602	2.67	0.10	0.22	162	0.63
200	Inferred	186	11554	344	10223	399	10622	932	2802	2.15	0.07	0.17	141	0.52
250	Inferred	148	11847	375	10480	407	10887	961	2932	1.75	0.06	0.14	123	0.43
300	Inferred	119	12068	400	10671	414	11084	983	3023	1.44	0.05	0.12	105	0.36
350	Inferred	92	12393	422	10967	422	11389	1004	3080	1.14	0.04	0.09	85	0.28
Zone 3 - May 2012														
150	Inferred	95	11609	300	10242	396	10638	971	2768	1.11	0.04	0.09	63	0.26
200	Inferred	89	11665	310	10276	400	10676	989	2806	1.03	0.04	0.09	60	0.25
250	Inferred	71	11907	330	10471	410	10882	1026	2902	0.84	0.03	0.07	51	0.2
300	Inferred	47	12407	358	10887	433	11319	1087	3008	0.58	0.02	0.05	37	0.14
350	Inferred	24	13048	392	11392	471	11864	1184	3043	0.31	0.01	0.03	21	0.07
Project Total														
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
150	Indicated	437	10929	274	9626	402	10029	900	2212	4.77	0.18	0.39	263	0.97
150	Inferred	520	10687	272	9437	383	9820	867	2468	5.55	0.20	0.45	312	1.28
150	Grand Total	956	10798	273	9524	392	9915	882	2351	10.33	0.37	0.84	575	2.25

¹There is greater coverage of assays for uranium than other elements owing to historic spectral assays. U₃O₈ has therefore been used to define the cut-off 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 developing high-quality mineral projects in Greenland. The Company's flagship project is the 100% owned Kvanefjeld multi-element deposit (Rare Earth Elements, Uranium, Zinc), that is rapidly emerging as a premier specialty metals project. 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.

The information in this report that relates to exploration targets, 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 Mr 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 and Zone 2 deposits 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.