

**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 Thursday, 22 May 2014 at 2.00pm (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

Upstairs function room

48 Ord Street

West Perth, WA, 6005

Commencing

at 2.00pm (Western Standard Time)

on 22 May 2014

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 2.00pm (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:

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

so that it is received not later than 2.00pm (Western Standard Time) on 20 May 2014.

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 22 May 2014 at 2.00pm (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 2013.

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 2013 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 – JOHN MAIR

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

"That John Mair, 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 John Mair is presented for re-election in accordance with the rotation requirements of the Constitution.

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – SIMON CATO

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

"That Simon Cato, 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 Simon Cato is presented for re-election in accordance with the rotation requirements of the Constitution.

SPECIAL BUSINESS

RESOLUTION 4 – RATIFY THE GRANT OF EMPLOYEE RIGHTS TO EMPLOYEES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the grant of 9,685,500 Employee Rights under the Employee Rights Plan on the terms set out in the Explanatory Statement."

Short Explanation: The Company has granted Employee Rights to employees as an incentive to retain crucial employees during the ongoing feasibility studies on the Kvanefjeld project. The Company seeks subsequent approval by Shareholders to refresh its 15% placement capacity.

Voting exclusion:

The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of such a person. However, the Company need 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 person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

RESOLUTION 5 – APPROVAL FOR PLACEMENT OF SHARES

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

"That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 20,000,000 Shares at an issue price that is at least 80% of the average market price of Shares calculated over the last 5 days on which sales of the Company's Shares were recorded before the day on which the issue was made on the terms set out in the Explanatory Statement."

Short Explanation: Listing Rule 7.1 provides that the prior approval of Shareholders is required if the number of securities issued by the Company exceeds 15% of its issued capital in any 12 month period. The Company is seeking approval to place up to 20,000,000 Shares without reducing its 15% placement capacity under Listing Rule 7.1.

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if this Resolution is passed 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 a person chairing that meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

RESOLUTION 6 – APPROVAL OF ADDITIONAL PLACEMENT CAPACITY

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

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, to be issued on the terms set out in the Explanatory Statement."

Short Explanation: The Company seeks approval to issue an additional 10% of the Company's issued ordinary securities during a 12 month period in accordance with Listing Rule 7.1A.

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates of those persons. However, the Company need 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 person chairing 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.

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). The proxy form expressly authorises the chair of the Meeting to exercise the proxy in relation to Resolution 1 even though the resolution is connected directly or indirectly with the remuneration of the members of 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 Resolution 1. 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 2013 Annual Report identifies the Company's key management personnel for the financial year to 30 December 2013. 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 20 May 2014 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: 17 April 2014

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004

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 2013.

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 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 JOHN MAIR

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 John Mair 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 Mair is set out in the Company's 2013 Annual Report.

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR SIMON CATO

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 Simon Cato 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 Cato is set out in the Company's 2013 Annual Report.

4. RESOLUTION 4 –RATIFY THE GRANT OF EMPLOYEE RIGHTS TO EMPLOYEES

4.1 Background

The Company announced on 4 October 2013 that it had implemented an Employee Rights Plan (**Plan**). All permanent staff members of the Company and its Greenland subsidiary, Greenland Minerals and Energy (Trading) A/S have been invited to participate in the Plan.

The Plan has been structured as a staff incentive to aid in retaining crucial staff during the ongoing feasibility studies on the Kvanefjeld project. On 4 October 2013 the Company granted 9,685,500 Employee Rights under the Plan to 13 employees.

Each Employee Right entitles the employee to be issued with one fully paid ordinary share for nil consideration, subject to vesting conditions being satisfied.

4.2 Requirements of the Listing Rules

Listing Rule 7.1 provides that, without shareholder approval, during any 12 month period, a company must not issue or agree to issue more equity securities than 15% of the number of fully paid ordinary securities on issue 12 months before the issue date or the agreement to issue, unless an exception applies.

The Company granted the Employee Rights to employees under the Plan within its 15% placement capacity.

Listing Rule 7.4 provides that an issue of securities made without the approval under Listing Rule 7.1 is treated as having been made with approval if the issue of securities did not breach Listing Rule 7.1 (that is, it was within the 15% placement capacity) and shareholders subsequently approve it. The effect of approval under Listing Rule 7.4 is to refresh a company's 15% placement capacity.

For the purposes of Listing Rule 7.5 the following information is provided to Shareholders in relation to Resolution 4.

- (a) The number of securities granted was 9,685,500 Employee Rights.
- (b) The Employee Rights were granted to employees as a retention incentive. They were issued for nil cash consideration.
- (c) The terms of the Employee Rights include:
 - (i) Each Employee Right gives the holder the right to be issued with 1 Share for nil consideration on the satisfaction of vesting conditions.
 - (ii) The Employee Rights were granted in three tranches as follows:

	Tranche 1	Tranche 2	Tranche 3
Number issued	3,228,501	3,228,501	3,228,501
Grant date	4 Oct 2013	4 Oct 2013	4 Oct 2013
Expiry date	30 Sept 2016	30 Sept 2016	30 Sept 2016
Vesting conditions	Yes	Yes	Yes

- (iii) The Employee Rights vest into ordinary shares in the Company if the volume weighted average price of the Company's shares is above a certain share price hurdle for a period of 5 consecutive trading days and the holder has one year continuous service with the Company (or its Greenland subsidiary) from 25 September 2013. Each tranche is subject to a different share price hurdle:

	VWAP
Tranche 1	\$0.50
Tranche 2	\$0.75
Tranche 3	\$1.00

- (iv) The Employee Rights are personal and do not confer any entitlement to attend or vote at meetings, any entitlement to dividends or any entitlement to participate in any return of capital unless the Employee Rights are vested and the underlying shares have been issued.
- (v) The Employee Rights do not entitle the holder to participate in the issue of securities unless the Employee Rights are vested and shares have been issued before the record date for determining entitlements.

- (vi) The Employee Rights lapse if the holder ceases being an eligible employee before vesting (subject to exceptions where it is outside the control of the employee such as death, serious illness and redundancy).
- (d) The Employee Rights were granted to 13 permanent staff members of the Company or its subsidiary, Greenland Minerals and Energy (Trading) A/S. None of the Employee Rights were granted to Directors or other related parties.
- (e) No funds were raised by the grant of the Employee Rights.

5. RESOLUTION 5 – APPROVAL OF PLACEMENT OF SHARES

5.1 Background

Resolution 5 seeks Shareholder approval under Listing Rule 7.1 for the issue of up to 20,000,000 Shares by a placement to parties intended to be sophisticated, professional or other investors that are exempt from the disclosure requirements of Chapter 6D of the Corporations Act.

5.2 Requirements of the Listing Rules

Listing Rule 7.1 provides that, without shareholder approval, during any 12 month period, a company must not issue or agree to issue more equity securities than 15% of the number of fully paid ordinary securities on issue 12 months before the issue date or the agreement to issue, unless an exception applies.

An exception to this 15% placement capacity is the issue has the prior approval of Shareholders in a general meeting. The effect of Resolution 5 will be to allow the Directors to issue the Shares pursuant to a placement during the period of 3 months after the Meeting (or a longer period if allowed by the ASX), without using the Company's 15% placement capacity.

Listing Rule 7.3 sets out the matters which must be included in a notice of meeting convened to seek shareholder approval under ASX Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 5:

- (a) The maximum number of securities to be issued is 20,000,000 Shares.
- (b) The Shares will be issued and allotted no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) The Shares will be issued at a price that is at least 80% of the average market price of Shares calculated over the last 5 days on which sales of the Company's Shares were recorded before the day on which the issue was made.
- (d) The names of the persons that will be issued the Shares are not yet known. The Company intends (but without limitation) to issue the Shares to sophisticated, professional or other investors that are exempt from the disclosure requirements of Chapter 6D of the Corporations Act so that any offer of securities does not require a disclosure document. The Shares will not be issued to related parties.

- (e) The Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the Company's current issued shares.
- (f) Funds raised from the issue of Shares to investors are intended to be used to develop the Kvanefjeld Project and for general working capital.
- (g) It is intended that the Shares will be issued on one date.

6. RESOLUTION 6 – ADDITIONAL PLACEMENT CAPACITY

6.1 General

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.

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting ("**Additional Placement Capacity**").

The Company seeks Shareholder approval under Resolution 6 to be able to issue Equity Securities under the Additional Placement Capacity. The exact number of Equity Securities to be issued is not fixed and will be determined in accordance the formula prescribed in Listing Rule 7.1A.2 (set out below).

6.2 Requirements of Listing Rule 7.1A

(a) Eligible entities

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

(b) Shareholder approval

Shareholders must approve the Additional Placement Capacity by special resolution at the annual general meeting. A resolution under Listing Rule 7.1A cannot be put at any other shareholder meeting.

(c) Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has two classes of Equity Securities quoted on ASX being fully paid ordinary Shares and Options with an exercise price of 60 cents and an expiry date of 5 October 2014.

(d) Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If Resolution 6 is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

(AxD)-E

A	The number of shares on issue 12 months before the date of issue or agreement: • plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2; • plus the number of partly paid shares that became fully paid in the 12 months; • plus the number of fully paid shares issued in the 12 months with the approval of shareholders under Listing Rules 7.1 or 7.4; • less the number of fully paid shares cancelled in the 12 months.
D	10%
E	The number of Equity Securities issued or agreed to be issued under Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.

(e) **Interaction between Listing Rules 7.1 and 7.1A**

The Additional Placement Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 575,497,356 Shares on issue as at the date of this Notice. If all of the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- 86,324,603 Equity Securities under Listing Rule 7.1; and
- 57,549,735 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of Resolution 6 will be to allow the Company to issue securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

6.3 Information for Shareholders as required by Listing Rule 7.3A

(a) Minimum price

The issue price of the new Equity Securities will be no lower than 75% of the volume weighted average price (VWAP) for securities in the relevant quoted class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 Business Days of the date above, the date on which the Equity Securities are issued.

(b) Risk of economic and voting dilution

If Resolution 6 is passed and the Company issues securities under the Additional Placement Facility, existing Shareholders' voting power in the Company will be diluted.

There is the risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved by Shareholders in the future;
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price at 15 April 2014.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		8 cents 50% decrease in Issue Price	16 cents Issue Price	32 cents 100% increase in Issue Price
Current 575,497,356 Shares	10% Voting Dilution	57,549,735 Shares	57,549,735 Shares	57,549,735 Shares
	Funds raised	\$4,603,979	\$9,207,958	\$18,415,916
50% increase in Variable A 863,246,034 Shares	10% Voting Dilution	86,324,603 Shares	86,324,603 Shares	86,324,603 Shares
	Funds raised	\$6,905,968	\$13,811,936	\$27,623,873
100% increase in Variable A 1,150,994,712 Shares	10% Voting Dilution	115,099,471 Shares	115,099,471 Shares	115,099,471 Shares
	Funds raised	\$9,207,958	\$18,415,915	\$36,831,831

This table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.
- (ii) No quoted Options (including any quoted Options issued under the Additional Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the Additional Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (vii) The issue price is 16 cents, being the latest closing price of the Shares on ASX on 15 April 2014.

The Company's ability to issue securities under Listing Rule 7.1A is in addition to its ability to issue securities under listing rule 7.1.

(c) **Placement Period**

Shareholder approval of the Additional Placement Capacity under Listing Rule 7.1A is valid from 22 May 2014 (the date of this Meeting) and expires on the earlier of:

- 22 May 2015, which is 12 months after this Meeting; or
- the date that Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to nature or scale of activities) or 11.2 (disposal of the main undertaking),

or such longer period as allowed by ASX (the "**Placement Period**").

The Company will only issue and allot new securities during the Placement Period. The approval will cease to be valid in the event that Shareholders' approve a transaction under Listing Rules 11.1.2 or 11.2.

(d) **Purposes for which the new Equity Securities may be issued**

The Company may seek to issue new Equity Securities for the following purposes:

- cash consideration to raise funds for the continued development on the Company's current assets, the acquisition of new assets or investments (including the expenses associated such acquisition) and for general working capital; or
- non-cash consideration for acquisition of new assets, investments or for the payment of goods or services or for the issue of Equity Securities associated with equity, debt or convertible security facilities that may be provided to the Company. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) **Allocation policy**

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, a placement, a rights issue or a placement and a rights issue;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company;
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments then it is likely that the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) and 3.10.5A on the issue of any new securities.

(f) **Details of Equity Securities issued under earlier placement capacity approval**

The Company has not previously obtained approval under Listing Rule 7.1A.

(g) **Voting exclusion**

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

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:

"**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.

"**Employee Right**" means the right granted under the Employee Rights Plan which entitles the holder to be issued with one fully paid ordinary share for nil consideration, subject to vesting conditions being satisfied.

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

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

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

"**Plan**" or "**Employee Rights Plan**" means the Greenland Minerals and Energy Limited Employee Rights Plan.

"**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.

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 22 May 2014 at 2.00pm (WST) and at any adjournment thereof.

Important for Resolution 1

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 Resolution 1 your proxy will NOT cast your vote on the resolution 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 Resolution 1 your vote will be cast in favour of this Resolution, and you hereby expressly authorise the chair of the Meeting to exercise your proxy even though Resolution 1 is 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 – John Mair	☐	☐	☐
Resolution 3	Re-election of Director – Simon Cato	☐	☐	☐
Resolution 4	Ratify Employee Rights granted to employees	☐	☐	☐
Resolution 5	Approval for Placement of Shares	☐	☐	☐
Resolution 6	Approval of Additional Placement Capacity	☐	☐	☐

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 Resolution 1.** 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 2.00pm (WST) on 20 May 2014.

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.