



GREENLAND
MINERALS AND ENERGY LTD

Company Announcement – 10th March 2015

Acquisition of Outstanding Royalty Over Kvanefjeld Project Exploration License

Greenland Minerals and Energy Limited (GMEL) is pleased to advise that it has agreed on terms to acquire a 2% net profit royalty on exploration license 2010/02, which covers the Kvanefjeld project and associated mineral resources in southern Greenland. Following the acquisition GMEL will hold all royalty agreements associated with license 2010/02. GMEL will acquire the 2% royalty on the net profits of Greenland Minerals and Energy (Trading) A/S (GME A/S) for a purchase consideration of 13,690,000 ordinary shares and 13,690,000 listed GGGOA options.

GME A/S is the Greenlandic subsidiary company that holds the exploration license 2010/02 over the northern Ilimaussaq Intrusive Complex in Greenland. GME A/S was established through the formation in 2007 of a joint venture between GMEL and Westrip Holdings Limited (Westrip). At the inception of the joint venture, a 5% net profit royalty existed on license area 2010/02. GMEL moved to 100% owner of GME A/S, and, therefore, exploration license 2010/02 in 2012.

The Company then purchased 3% of the net profit royalty in 2012 (announced 2nd December 2011), and is pleased have now acquired the outstanding 2% royalty. The consideration paid on the royalty is referenced to an independent expert report from BDO Corporate Advisory (included in the Notice of Meeting announced 16 December 2011). A total of 17,500,000 shares were issued as consideration for the purchase of the 3% royalty with the independent expert report determining this to be fair and reasonable based on a share price at the time of \$0.57.

GMEL viewed the terms outlined herein for the acquisition of the outstanding 2% royalty as reasonable in consideration of both the terms for the previously acquired 3% royalty, and the current market conditions. Therefore the company has not looked to have a further independent expert opinion prepared. BDO Corporate Advisory have not prepared a report or provided an opinion regarding the acquisition of the 2% royalty.

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ABOUT GREENLAND MINERALS AND ENERGY LTD.

Greenland Minerals and Energy Ltd (ASX: GGG) is an exploration and development company focused on developing high-quality mineral projects in Greenland. The Company's flagship project is the Kvanefjeld multi-element deposit (Rare Earth Elements, Uranium, Zinc), that stands to be the world's premier specialty metals project. A comprehensive pre-feasibility study was finalised in 2012, and the feasibility study will be completed in 2015. The studies demonstrate the potential for a large-scale, cost-competitive, multi-element mining operation. Through 2015, GMEL is focussed on completing a mining license application in order to commence project permitting, in parallel to advancing commercial discussions with development partners. 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.

Competent Person Statement

The information in this report that relates to Mineral Resources is based on information compiled by Robin Simpson, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Simpson is employed by SRK Consulting (UK) Ltd ("SRK"), and was engaged by Greenland Minerals and Energy Ltd on the basis of SRK's normal professional daily rates. SRK has no beneficial interest in the outcome of the technical assessment being capable of affecting its independence. Mr Simpson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Robin Simpson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The mineral resource estimate for the Kvanefjeld Project was updated and released in a Company Announcement on February 12th, 2015. There have been no material changes to the resource estimate since this announcement.