GREENLAND
MINERALS AND ENERGY LTD

ASX: GGG

June 2016 Quarterly Report

July 28th, 2016

Highlights:

- **Landmark parliamentary developments in Greenland and Denmark set a solid foundation for the Kvanefjeld rare-earth uranium project**

- **Danish Parliament passes legislation to create legal framework for uranium exports from Greenland**

- **Greenland Parliament adopts laws in relation to non-proliferation commitments**

- **Passing of legislation concludes a comprehensive program by the Governments of Greenland and Denmark to establish the regulatory framework required to manage uranium production and export from Greenland**

  - *New legislation in force as of July 1, 2016*

- **Progress continues on the processing of the Kvanefjeld Mining License Application**

- **Structural changes continue to Chinese rare earth industry highlighting primary supply concerns**

  - *Sets the stage for ongoing transition to a globally-integrated rare earth supply networks, as demand outlook for key magnet metals strengthens*

- **Agneta Rising, Director General of the World Nuclear Association visits Greenland**

- **Greenland Minerals and Energy participates in Arctic Circle Forum**

- **$2.4M capital raising completed to fund permitting process for Kvanefjeld**

PERTH: Unit 6, 100 Railway Road, Subiaco Western Australia 6008 **POSTAL**: PO Box 2006, Subiaco WA 6904
Telephone: +61 8 9382 2322 Facsimile: +61 8 9382 2788
GREENLAND: PO Box 156, Narsaq, Greenland 3921
WEB: www.ggg.gl **EMAIL**: info@ggg.gl **ABN**: 85 118 463 004

Contents

PERTH: Unit 6, 100 Railway Road, Subiaco Western Australia 6008 **POSTAL**: PO Box 2006, Subiaco WA 6904
Telephone: +61 8 9382 2322 Facsimile: +61 8 9382 2788
GREENLAND: PO Box 156, Narsaq, Greenland 3921
WEB: www.ggg.gl **EMAIL**: info@ggg.gl **ABN**: 85 118 463 004

GREENLAND
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June 2016 Quarterly Activities

The June Quarter saw further landmark developments for GMEL, and the Company's 100% owned Kvanefjeld Project. Kvanefjeld has defined JORC-code compliant resources of >1 billion tonnes containing 11.1Mtonnes rare earth oxide, and 593Mlb's U_3O_8. Less than 20% of the prospective area within the company's exploration license has been subject to resource evaluation.

The initial development strategy is projected to produce rare earth products critical to clean energy generation and energy efficient technologies, with uranium to be an important by-product.

An exploitation (mining) license application for the Kvanefjeld Project is currently under assessment by the Greenland government.

The June Quarter saw key legislation passed in both the Greenland and Danish parliaments, which relates directly to the Kvanefjeld project. After reaching agreement on the management of production and export of uranium from Greenland in early 2016, the Danish and Greenlandic governments passed key legislation to effectively regulate this important sector.

The political developments further solidify a robust foundation for Kvanefjeld's development.

Progress continued on Government of Greenland's reviews of the Kvanefjeld mining license application, with considerable feedback having now been returned to GMEL. A regular dialogue between GMEL personnel and representatives of Greenland Government departments has allowed steady and constructive progress on updating the study components toward the point of acceptance for the public hearing phase.

A major focus on natural resource development in Greenland continued through the June Quarter, with the topic high on the agenda of the Arctic Circle Forum, held in Nuuk in May, in which GMEL participated.

Mineral resource opportunities were also a focus of Greenland Employees Union's (SIK) annual meeting, which was attended by the World Nuclear Association's Director General, Agneta Rising.

The Company successfully completed a $2.4M capital raising in early June to fund the permitting process. The raising was well supported by sophisticated and professional investors along with existing shareholders.

GREENLAND
MINERALS AND ENERGY LTD

Landmark Development: Greenland and Denmark Pass Uranium Export Legislation

In late May in Greenland, and early June in Denmark, key legislation was passed which will regulate uranium production from Greenland. The significance of these events cannot be overlooked, and are the culmination of extensive work programs by the Greenland and Danish governments over recent years. The events demonstrate the support and the commitment of the Greenland government to ensure a regulatory framework is in place for the development of the Kvanefjeld Project.

In Greenland's parliament on May 25th, four bills were passed to ensure that uranium mining and export is done in a manner that meets the Kingdom of Denmark's international non-proliferation commitments. Greenland now has a regulatory and legislative framework in place which will permit the production and export of uranium.

On June 2nd and 3rd the Danish parliament passed legislation that creates the legal framework which will allow Greenland to export uranium. In enacting the two pieces of legislation, Denmark assumes responsibility for the application of international safeguards to ensure peaceful use of Greenland's uranium. This clears the path for international sales of uranium from Greenland in accordance with the conditions established by the legislation which came into force on 1 July, 2016.

These latest political developments were the final steps in an extensive program to create the framework and regulations which would allow exports of uranium from Greenland while ensuring compliance with international treaties and conventions concerning trade in uranium. This program has involved the formal agreement between Greenland and Denmark on managing uranium exports and associated responsibilities, Greenland ratifying its accession to a series of international safety conventions, and the adoption of new laws in Greenland and Denmark concerning non-proliferation.

GMEL's Kvanefjeld Project is the only advanced minerals project in Greenland that is projected to produce uranium.

Key Steps in Establishing a Uranium Export Regulatory Framework

Greenland assumed self-rule in 2009, but remains part of the Kingdom of Denmark. At the commencement of self-rule, Greenland assumed full authority over its mineral and hydrocarbon rights; however, its defence and foreign policies are still managed by Denmark. The production and export of uranium therefore requires cooperation between both Governments.

The recent parliamentary developments in Greenland and Denmark stem from a Danish/Greenlandic 2013 report which identified the need to establish a special system to meet international obligations in regards to the safeguarding of nuclear materials.

Since this point considerable work has been conducted by Greenland and Danish government departments to establish and implement such a system. Important developments toward concluding this program have included:

- In December 2015, Greenland parliament ratified its participation in a series of international regulatory conventions concerning the safety and handling of radioactive materials. This followed a public-hearing on regulatory conventions through the middle of 2015.

- In January 2016 Greenland and Denmark signed uranium export agreements. The agreements reaffirmed Greenland's full authority over its natural resources including environmental, health and safety at any uranium production facility in Greenland. The agreements also establish a framework under which Denmark will assume responsibility for nuclear non-proliferation and safeguards matters.

- On May 25th, 2016, Greenland passed the enabling legislation to adopt the laws relating to the export of uranium in accordance with international best practice.

- On June 2nd and 3rd, 2016, the Danish parliament passed legislation that creates the legal framework to allow Greenland to export uranium.

A new joint Denmark-Greenland structure within Greenland's Department of Industry, Labour and Trade will share aspects of implementation of export controls, inspections and reporting.

Denmark's nuclear safeguards and export control system will be modelled on the international standards practised in Australia, Canada, and Euratom (European Atomic Energy Community). The system will restrict uranium exports to states which are a party to the Nuclear Non-Proliferation Treaty and enter appropriate Nuclear Cooperation Agreements with Denmark to cover fall back safeguards, prior consent for re-transfers and other conditions similar to those applied by Australia, Canada, and the USA.

WNA Director General Participates in Greenland's Employees Association Annual Meeting

In late June, Greenland's Employees Association (SIK) held their annual meeting, where mineral potential and future mining opportunities were given strong attention. At the invitation of the SIK, the World Nuclear Association's (WNA) Director General, Agneta Rising, attended and presented at the meeting, in addition to conducting interviews on radio and television, and meeting with a number of senior government officials.

Such initiatives provide an excellent opportunity for Greenland stakeholder groups to learn more about facts associated with uranium mining and the broader nuclear industry, as well as to establish networks that can assist in facilitating access to further information and knowledge.

Greenland Minerals and Energy Participates in Arctic Circle Forum

The Arctic Circle Forum is a multi-disciplinary gathering that aims to strengthen the international focus on the future of the Arctic, and addresses a cross section of arctic issues. The Arctic Circle Greenland Forum was held over May 17th to 19th in Nuuk, Greenland.

At the invitation of the Premier of Greenland and the President of Iceland, Dr John Mair, GMEL's Managing Director participated as both a presenter and panellist in the session that addressed Natural Resource Development in the Arctic.

In recent years, attention on natural resources in the broader Arctic region has markedly increased. Greenland, in particular, has placed a major focus on moving toward a greater emphasis on natural resource development to diversify, grow, and strengthen its economy.

GMEL's Kvanefjeld Project is amongst the higher profile mineral resource projects in the Arctic region, and is now well-positioned as a potential cornerstone of new global specialty/tech-metal supply networks.

The Kvanefjeld Project will be an internationally significant new source of metals utilised in high-powered permanent magnets which are essential to efficient energy use, and clean energy generation.

High-powered permanent magnets represent the essential link between electricity and kinetic energy. This is a major growth area, fuelled by electric and hybrid car production and wind-generated power, along with a diverse array of other emerging technologies.

Uranium will provide an important by-product revenue stream with strong growth forecast for nuclear power through the next decade, as the world shifts toward a reduced reliance on carbon related base-load energy.

Rare Earth Industry – Structural Changes Continue

Significant changes to the structure of the rare earth industry in China continue, which stands to shape the outlook for future global rare earth supply, owing to China's dominant position in both rare earth

supply and demand. New guidelines for the reform of the Chinese industry were issued by the State Council in 2011, and the implications are now in effect on a number of fronts.

China is a leader of down-stream processing technology, but primary supply is an emerging issue due to a government managed consolidation program, increased regulation and costs, no new mine permits being issued, and ongoing efforts to curb unregulated (illegal) mining.

All of these initiatives have either been implemented, or are progressing, and are set to bring a major transition to global rare earth supply.

In late June, the integration of southern Chinese rare earth producers to form the 'China South Rare Earth Group' was ratified by an expert panel. This included Ganzhou Rare Earth Group, Jiangxi Copper Group, and Jiangxi Rare Earth and Rare Metals Tungsten Group.

As a result of the significant changes to current supply channels, high quality, new primary supply points outside of China will be essential to future rare earth supply networks. This will likely see elements of the Chinese sector becoming more integrated with international markets, and new primary supply points.

Kvanefjeld Mining License Application - Processing Update

In December, 2015, GMEL submitted an exploitation (mining) license application for the Kvanefjeld project to the Greenland Government. The application included the Feasibility study, and Environmental and Social Impact Assessments.

The first phase of evaluation involves detailed reviews of three components; the Social Impact Assessment (SIA), the Environmental Impact Assessment (EIA), and the Maritime Safety Study. These components are reviewed in detail prior to the public hearing phase.

All three documents have now been reviewed by the relevant Greenland Government departments. Initial feedback has acknowledged the quality and depth of work;

"The Government of Greenland and its advisors appreciate and acknowledge the tremendous work carried out the Greenland Minerals and Energy and their consultants in the preparation of the submitted reports."

A number of meetings have been held between GMEL representatives and the Greenland Government and its advisors to work through feedback, and discuss any modifications that will be incorporated prior to acceptance and preparation for public hearing.

The Maritime Safety Study has been reviewed by the Danish Maritime Authority who found no major issues with the report. Minor comments resulting from the reviews are being addressed by the Company in conjunction with Danish shipping specialist consultants Blue Water Shipping. This will result in an updated version on the Maritime Safety Study that will be prepared for public hearing.

The SIA is currently in the process of being updated following reviews. This process is being managed in-house by GMEL, with a regular dialogue with representatives of Greenland's Ministry of Industry, Labour and Trade.

The EIA has been reviewed by the Greenland Government, with support from Danish technical agencies. Key areas that fall within the EIA, including the Air Quality and Tailings Storage, are currently being reviewed by internationally-recognised expert groups. Considerable feedback from initial reviews of the EIA has been returned to GMEL. Modifications to the EIA are being managed jointly by GMEL personnel along with external independent consultants.

Once the SIA, EIA and Maritime Safety Study have been updated to incorporate feedback from the initial reviews, the studies are translated, and prepared for the public hearing phase of the permitting process. The Company looks forward to updating on timelines for the expert reviews and public hearing process.

Capital Raising Successfully Completed

During the second quarter, GMEL completed a $2.4M capital raising to fund the permitting process for the Kvanefjeld Project. The capital raising was well supported by existing shareholders and sophisticated investors.

The shares were issued at 3 cents in 2 tranches; 42,133,333 shares were issued on June 8th 2016 and 32,866,667 were issued on June 9th 2016. The Company's VWAP (share price) for the 15 days prior to the issue dates was 2.9 cents and 3 cents respectively.

The Company appreciates the ongoing support from existing shareholders along with new investors.

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About the Kvanefjeld Project

GMEL's primary focus is centred on the northern Ilimaussaq Intrusive Complex in southern Greenland. The project includes several large scale multi-element resources including Kvanefjeld, Sørensen and Zone 3. Global mineral resources now stand at **1.01** billion tonnes (JORC-code 2012 compliant).

The deposits are characterised by thick, persistent mineralisation hosted within sub-horizontal lenses that can exceed 200m in true thickness. Highest grades generally occur in the uppermost portions of deposits, with overall low waste-ore ratios.

Less than 20% of the prospective area has been evaluated, with billions of tonnes of lujavrite (host-rock to defined resources) awaiting resource definition.

While the resources are extensive, a key advantage to the Kvanefjeld project is the unique rare earth and uranium-bearing minerals. These minerals can be effectively beneficiated into a low-mass, high value concentrate, then leached with conventional acidic solutions under atmospheric conditions to achieve particularly high extraction levels of both heavy rare earths and uranium. This contrasts to the highly refractory minerals that are common in many rare earth deposits. The rigorously developed process route has been the subject of several successful pilot plant campaigns.

The Kvanefjeld project area is located adjacent to deep-water fjords that allow for shipping access directly to the project area, year round. An international airport is located 35km away, and a nearby lake system has been positively evaluated for hydroelectric power.

Kvanefjeld is slated to produce a significant output of critical rare earths (Nd, Pr, Eu, Dy, Tb, Y), with by-production of uranium, zinc, and bulk light rare earths (La, Ce). Low incremental cost of recovering by-products complements the simple metallurgy to deliver a highly competitive cost structure.

Rare earth elements (REEs) are used in a wide variety of applications. Most notably, rare earth elements make the world's strongest permanent magnets. The magnet industry continues to be a major growth area, owing to the essential requirement of high-powered magnets in many electrical applications.

Magnetism is the force that converts electricity to motion, and vice-versa in the case of renewable energy such as windpower. In recent years growth in rare earth demand has been limited by end-user concerns over pricing instability and surety of supply.

Kvanefjeld provides an excellent opportunity to introduce a large stable supplier at prices that are readily sustainable to end-users. In addition rare earths from Kvanefjeld will be produced in an environmentally sustainable manner further differentiating it as a preferred supplier of rare earth products to end-users globally. These factors serve to enhance demand growth.

Uranium forms an important part of the global base-load energy supply, with demand set to grow in coming years as developing nations expand their energy capacity.

Tenure, Permitting and Project Location

Tenure

Greenland Minerals and Energy Ltd (ABN 85 118 463 004) is a company listed on the Australian Securities Exchange. The Company has conduct extensive exploration and evaluation of license EL2010/02. The Company controls 100% of EL2010/02 through its Greenlandic subsidiary.

The tenement is classified as being for the exploration of minerals. The project hosts significant uranium, rare earth element, and zinc mineral resources (JORC-code compliant) within the northern Ilimaussaq Intrusive Complex.

Historically the Kvanefjeld deposit, which comprises just a small portion of the Ilimaussaq Complex, was investigated by the Danish Authorities. GMEL has since identified a resource base of greater than 1 billion tonnes, including the identification and delineation of two additional deposits. The Company has conducted extensive metallurgical and process development studies, including large scale pilot plant operations.

Permitting

Greenland Minerals and Energy Limited is permitted to conduct all exploration activities and feasibility studies for the Kvanefjeld REE-uranium project. The company's exploration license is inclusive of all economic components including uranium and REEs.

A pre-feasibility study was completed in 2012, and a comprehensive feasibility study completed in 2015. A mining license application was handed over to the Greenland Government in December 2015, which addresses an initial development strategy. The project offers further development opportunities owing to the extensive mineral resources.

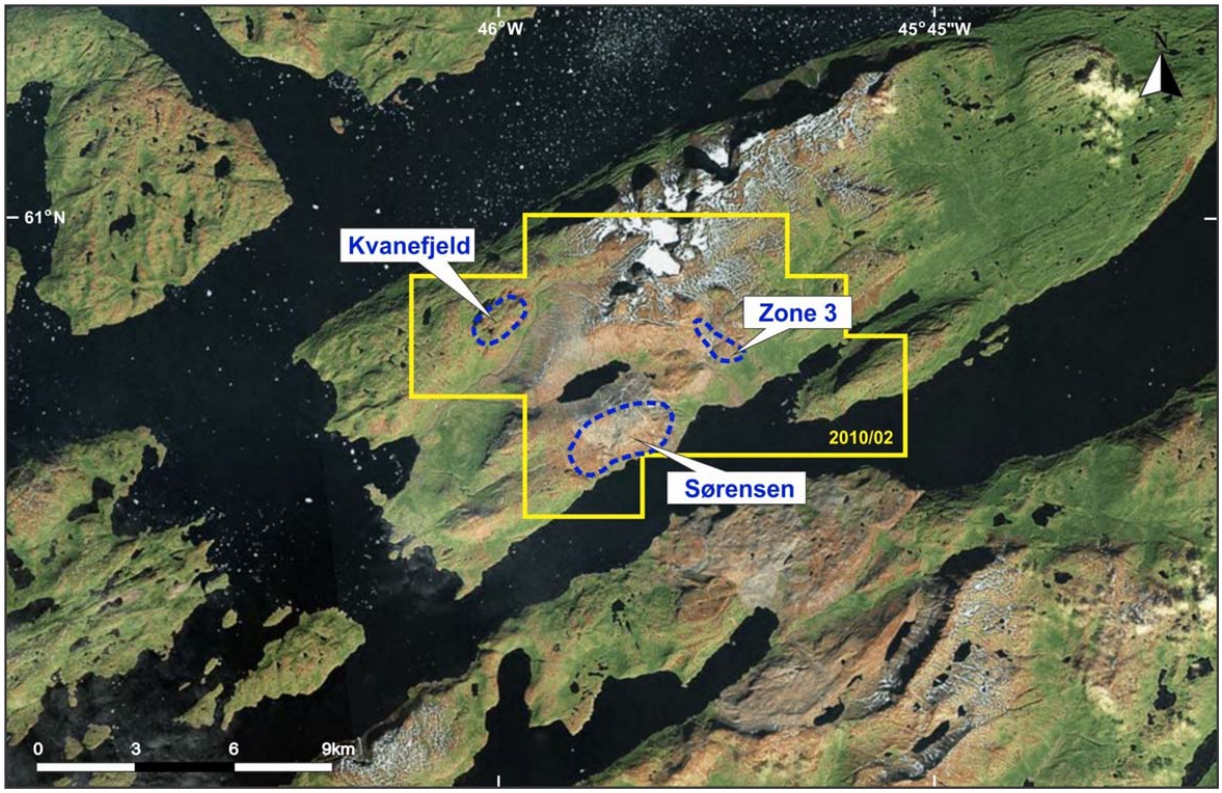
Location

The exploration lease covers an area of 80km^2 in Nakkaalaaq North on the southwest coast of Greenland. The project is located around 46° 00'W and 60 55'N.

The town of Narsaq is located approximately 8 kilometres to the south west of the license area. Narsaq is connected to Narsarsuaq International Airport by commercial helicopter flights operated by Air Greenland. Local transport between settlements is either by boat or by helicopter.

The Company has office facilities in Narsaq where storage, maintenance, core processing, and exploration activities are managed. This office supports the operational camp located on the Kvanefjeld Plateau above the town where the operational staff are housed.

Access to the Kvanefjeld plateau (at approximately 500m asl) is generally gained by helicopter assistance from the operations base located on the edge of the town of Narsaq. It is possible to access the base of the plateau by vehicle and then up to the plateau by a track.



Overview of GMEL's 100% controlled license EL2010/02. A mining license application has been lodged.

Exploration License	Location	Ownership
EL 2010/02	Southern Greenland	Held by Greenland Minerals and Energy (Trading) A/S, a fully owned subsidiary of GMEL.

Capital Structure – As at 30 June, 2016	
Total Ordinary shares	874,075,025
Quoted options exercisable at $0.08 on or before 30 September 2018	187,027,713
Unquoted options exercisable at $0.20 on or before 24 February 2018	7,500,000
Unquoted options exercisable at $0.25 on or before 24 February 2018	7,500,000
Employee rights (refer to announcement 4/10/2013 for terms)	9,685,500

Please visit the company's website at www.ggg.gl where recent news articles, commentary, and company reports can be viewed.

Statement of Identified Mineral Resources, Kvanefjeld Project, Independently Prepared By SRK Consulting (February, 2015)

Multi-Element Resources Classification, Tonnage and Grade										Contained Metal				
Cut-off	**Classification**	**M tonnes**	**TREO[2]**	**U_3O_8**	**LREO**	**HREO**	**REO**	**Y_2O_3**	**Zn**	**TREO**	**HREO**	**Y_2O_3**	**U_3O_8**	**Zn**
(U_3O_8 ppm)[1]		Mt	ppm	ppm	ppm	ppm	ppm	ppm	ppm	Mt	Mt	Mt	M lbs	Mt
Kvanefjeld - February 2015														
150	**Measured**	143	12,100	303	10,700	432	11,100	978	2,370	**1.72**	0.06	0.14	**95.21**	0.34
150	**Indicated**	308	11,100	253	9,800	411	10,200	899	2,290	**3.42**	0.13	0.28	**171.97**	0.71
150	**Inferred**	222	10,000	205	8,800	365	9,200	793	2,180	**2.22**	0.08	0.18	**100.45**	0.48
150	**Total**	673	10,900	248	9,600	400	10,000	881	2,270	**7.34**	0.27	0.59	**368.02**	1.53
200	**Measured**	111	12,900	341	11,400	454	11,800	1,048	2,460	**1.43**	0.05	0.12	**83.19**	0.27
200	**Indicated**	172	12,300	318	10,900	416	11,300	970	2,510	**2.11**	0.07	0.17	**120.44**	0.43
200	**Inferred**	86	10,900	256	9,700	339	10,000	804	2,500	**0.94**	0.03	0.07	**48.55**	0.22
200	**Total**	368	12,100	310	10,700	409	11,200	955	2,490	**4.46**	0.15	0.35	**251.83**	0.92
250	**Measured**	93	13,300	363	11,800	474	12,200	1,105	2,480	**1.24**	0.04	0.10	**74.56**	0.23
250	**Indicated**	134	12,800	345	11,300	437	11,700	1,027	2,520	**1.72**	0.06	0.14	**101.92**	0.34
250	**Inferred**	34	12,000	306	10,800	356	11,100	869	2,650	**0.41**	0.01	0.03	**22.91**	0.09
250	**Total**	261	12,900	346	11,400	440	11,800	1,034	2,520	**3.37**	0.11	0.27	**199.18**	0.66
300	**Measured**	78	13,700	379	12,000	493	12,500	1,153	2,500	**1.07**	0.04	0.09	**65.39**	0.20
300	**Indicated**	100	13,300	368	11,700	465	12,200	1,095	2,540	**1.34**	0.05	0.11	**81.52**	0.26
300	**Inferred**	15	13,200	353	11,800	391	12,200	955	2,620	**0.20**	0.01	0.01	**11.96**	0.04
300	**Total**	194	13,400	371	11,900	471	12,300	1,107	2,530	**2.60**	0.09	0.21	**158.77**	0.49
350	**Measured**	54	14,100	403	12,400	518	12,900	1,219	2,550	**0.76**	0.03	0.07	**47.59**	0.14
350	**Indicated**	63	13,900	394	12,200	505	12,700	1,191	2,580	**0.87**	0.03	0.07	**54.30**	0.16
350	**Inferred**	6	13,900	392	12,500	424	12,900	1,037	2,650	**0.09**	0.00	0.01	**5.51**	0.02
350	**Total**	122	14,000	398	12,300	506	12,800	1,195	2,570	**1.71**	0.06	0.15	**107.45**	0.31

Statement of Identified Mineral Resources, Kvanefjeld Project, Independently Prepared By SRK Consulting (February, 2015)

Multi-Element Resources Classification, Tonnage and Grade										Contained Metal				
Cut-off	**Classification**	**M tonnes**	**TREO[2]**	**U_3O_8**	**LREO**	**HREO**	**REO**	**Y_2O_3**	**Zn**	**TREO**	**HREO**	**Y_2O_3**	**U_3O_8**	**Zn**
(U_3O_8 ppm)[1]		Mt	ppm	ppm	ppm	ppm	ppm	ppm	ppm	Mt	Mt	Mt	M lbs	Mt
Sørensen - March 2012														
150	**Inferred**	242	11,000	304	9,700	398	10,100	895	2,602	**2.67**	0.10	0.22	**162.18**	0.63
200	**Inferred**	186	11,600	344	10,200	399	10,600	932	2,802	**2.15**	0.07	0.17	**141.28**	0.52
250	**Inferred**	148	11,800	375	10,500	407	10,900	961	2,932	**1.75**	0.06	0.14	**122.55**	0.43
300	**Inferred**	119	12,100	400	10,700	414	11,100	983	3,023	**1.44**	0.05	0.12	**105.23**	0.36
350	**Inferred**	92	12,400	422	11,000	422	11,400	1,004	3,080	**1.14**	0.04	0.09	**85.48**	0.28
Zone 3 - May 2012														
150	**Inferred**	95	11,600	300	10,200	396	10,600	971	2,768	**1.11**	0.04	0.09	**63.00**	0.26
200	**Inferred**	89	11,700	310	10,300	400	10,700	989	2,806	**1.03**	0.04	0.09	**60.00**	0.25
250	**Inferred**	71	11,900	330	10,500	410	10,900	1,026	2,902	**0.84**	0.03	0.07	**51.00**	0.20
300	**Inferred**	47	12,400	358	10,900	433	11,300	1,087	3,008	**0.58**	0.02	0.05	**37.00**	0.14
350	**Inferred**	24	13,000	392	11,400	471	11,900	1,184	3,043	**0.31**	0.01	0.03	**21.00**	0.07
All Deposits – Grand Total														
150	**Measured**	143	12,100	303	10,700	432	11,100	978	2,370	**1.72**	0.06	0.14	**95.21**	0.34
150	**Indicated**	308	11,100	253	9,800	411	10,200	899	2,290	**3.42**	0.13	0.28	**171.97**	0.71
150	**Inferred**	559	10,700	264	9,400	384	9,800	867	2,463	**6.00**	0.22	0.49	**325.66**	1.38
150	**Grand Total**	1010	11,000	266	9,700	399	10,100	893	2,397	**11.14**	0.40	0.90	**592.84**	2.42

[1]There is greater coverage of assays for uranium than other elements owing to historic spectral assays. U_3O_8 has therefore been used to define the cutoff grades to maximise the confidence in the resource calculations.

[2]Total 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.

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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). A pre-feasibility study was finalised in 2012, and a comprehensive feasibility study was completed in May, 2015. The studies demonstrate the potential for a large-scale, long-life, cost-competitive, multi-element mining operation. An exploitation (mining) license application for the initial development strategy was completed in 2015.

In 2016, GMEL is focussed on working closely with Greenland's regulatory bodies on the processing of a mining license application, and maintaining regular stakeholder updates. A greater emphasis will also be placed on commercial development and progressing the dialogue with strategic partners. In addition, the Company will look to further value add initiatives afforded by the extensive resource inventory and prospective license holding.

Dr John Mair	**David Tasker**	**Christian Olesen**
Managing Director	**Professional PR**	**Rostra Communication**
+61 8 9382 2322	**+61 8 9388 0944**	**+45 3336 0429**

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 – Mineral Resources and Ore Reserves

The information in this report that relates to Mineral Resources is based on information compiled by Mr 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 information in the statement that relates to the Ore Reserves Estimate is based on work completed or accepted by Mr Damien Krebs of Greenland Minerals and Energy Ltd and Mr Scott McEwing of SRK Consulting (Australasia) Pty Ltd.

Damien Krebs is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the type of metallurgy and scale of project under consideration, and to the activity he is undertaking, to qualify as Competent Persons in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition). The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

Scott McEwing is a Fellow and Chartered Professional of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as Competent Persons in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition). The Competent Persons consent to the inclusion of such information in this report 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. The ore reserve estimate was released in a Company Announcement on June 3rd, 2015. There have been no material changes to the resource estimate, or ore reserve since the release of these announcements.