



Company Announcement: *Tuesday October 16, 2012*

Acquisition of the outstanding 39% of the Kvanefjeld multi element project, completed

Greenland Minerals and Energy Limited ("GMEL" or "the Company") is pleased to advise that on the afternoon of Monday, October 15, 2012 the Company settled the acquisition of the outstanding balance 39% of the Kvanefjeld multi-element project, (EL 2010/2, Greenland). The Company now holds 100% of the Kvanefjeld multi-element project.

The settlement was in accordance with the terms announced on 6 August, 2012 and as approved by shareholders on 8 October, 2012.

It provided for the payment of AUD\$5,000,000 plus the issue of 74,824,998 shares and 4,999,520 options exercisable at 75 cents.

The settlement provides for all existing litigation (previously on hold for the last 18 months) in all jurisdictions between the parties will also cease by mutual agreement.

We welcome Rimbal Pty Ltd as a substantial shareholder of the Company.

Achieving 100% ownership of the Kvanefjeld multi-element project is a key milestone for the Company.

Yours faithfully,

Roderick McIlree
Managing Director
Greenland Minerals and Energy Ltd



Table 1. Statement of Identified Mineral Resources, Kvanefjeld Multi-Element Project.

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	0.24	2.53	2.63	178	0.55
250	Inferred	41	12204	324	10929	366	11319	886	2598	0.04	0.45	0.46	29	0.11
250	Grand Total	272	12395	347	10947	431	11378	1017	2398	0.28	2.98	3.09	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 Kvanefjeld multi-element deposit (Rare Earth Elements, Uranium, Zinc), that is rapidly emerging as a premier specialty metals project. An interim report on pre-feasibility studies has demonstrated the potential for a large-scale 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 community discussions on the social and economic benefits associated with the development of the Kvanefjeld Project.

The information in this report that relates to 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 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 deposit 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.