



March 2016 Quarterly Report

April 29th, 2016

Highlights:

- **Governments of Greenland and Denmark reach landmark agreement on uranium exports**
- **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**
- **Greenland Government ups promotional efforts with Trade Mission to South Korea**
- **Support infrastructure strategy for Kvanefjeld advances; Letter of Intent signed with European Industrial to develop power concept based on hydropower**
- **Mining License Application - considerable progress on application processing with initial reviews received on key components including environmental and social impact assessments and maritime study**
- **Kvanefjeld Feasibility Update sees significant improvements to projects economic metrics, whilst drawing on conservative assumptions**
 - GMEL's capital costs down significantly to US\$832M
 - NPV (post-tax) increased to US1.58B, IRR increased to 43.4%
 - Update draws on technical developments achieved in 2015
- **Feasibility Update demonstrates the strengths of the Kvanefjeld Project, strong leverage to growing permanent magnet sector, and competitiveness in a low pricing environment**

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March 2016 Quarterly Activities

The first quarter of 2016 saw continued regulatory developments in Greenland that are important to the Company's activities. Major progress in this area had taken place through 2015, with Greenland and Denmark working to ensure that Greenland's system is proficient in regards to radioactive materials, and compliance with international standards and best practice. In December 2015, the Greenland Government ratified its accession to a series of international conventions that relate to safety and handling of radioactive materials.

In January 2016, the Governments of Greenland and Denmark reached formal agreement to establish an internal framework within the Kingdom of Denmark regarding the special foreign, defence, and security policies related to the mining and export of uranium from Greenland. The agreements reaffirm Greenland's full authority over its natural resources including environmental health and safety at any uranium (or thorium) production facility in Greenland and establish a framework under which Denmark will assume responsibility for nuclear non-proliferation and safeguards matters.

Also during Q1, 2016, GMEL made significant progress with the support infrastructure strategy for the Kvanefjeld Project. In early March, the company announced that it had signed a letter of Intent (LoI), with a European multi-national conglomerate that specialises in energy provision to develop a power concept for the Kvanefjeld Project, based on renewable energy (hydropower). Utilising hydropower to produce raw materials that are critical to clean energy generation and new energy efficient technologies is an optimal outcome for the Kvanefjeld project, and will reduce the carbon footprint of the project and be advantageous to end product branding and carbon traceability.

Through Q1 GMEL finalised a Feasibility Update for Kvanefjeld, following on from technical developments made in 2015. The Feasibility Update built on the outcomes of successful pilot plant operations conducted in 2015, and optimisation of the infrastructure layout that reduces civil earthwork requirements. The Update saw a reduction in GMEL's capital costs, and improvements to the projects Net Present Value (NPV), and Internal Rate of Return (IRR). Significantly, this was achieved whilst utilising more conservative pricing assumptions, and an increased discount rate, emphasizing the robustness and strength of the Kvanefjeld Project.

Greenland and Denmark Reach Landmark Agreement on Uranium Exports

On January 19th, the Governments of Greenland and Denmark announced that they had reached formal agreement to establish an internal framework within the Kingdom of Denmark regarding the special foreign, defence, and security policy issues related to the mining and export of uranium from Greenland. This will lead to Danish legislation to implement safeguards and export regulations for uranium produced in Greenland.

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 remain managed by Denmark. The production and export of uranium therefore requires cooperation between both Governments.

The agreement represents another key step in Greenland enhancing its regulatory system to ensure that it is aligned with international standards and best practice associated with uranium and radioactive materials. It follows on from the Government of Greenland ratifying its accession to a series of international safety conventions relating to uranium in late 2015. These items are the end result of ongoing cooperative work by Greenland and Denmark, which follow the recommendations of a report into uranium mining and export, commissioned in 2013.

The agreements reaffirm Greenland's full authority over its natural resources including environmental health and safety at any uranium (or thorium) production facility in Greenland and establish a framework under which Denmark will assume responsibility for nuclear non-proliferation and safeguards matters.

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.

Denmark and Greenland will present enabling legislation to their respective Parliaments in the upcoming spring sessions this year.

This important development highlights the progress made by Greenland's authorities on regulatory aspects, which has taken place in parallel to GMEL working to establish an agreed development strategy with Greenland, and finalise an exploitation (mining) license application for Kvanefjeld. The application was successfully completed in late 2015, and handed over to Greenland's regulatory bodies.

Letter-of-Intent Signed to Develop Hydropower Strategy

Another important development in Q1, 2016 was the signing of a Letter of Intent (LoI) with a European multi-national conglomerate (the provider), that specialises in energy provision, to develop a power concept for the Kvanefjeld project, based on renewable energy (hydropower).

The power solution will investigate the potential to link in to the existing public network, providing broader benefits for South Greenland. The set-up for the power solution would consider a Private Public

Partnership (PPP) model, in which GMEL would be an end-user. The provider will map out the entire concept and aim to bring in a partner for the main EPC contractor, civil work and financing.

The agreement comes after an ongoing dialogue driven by the provider with the Government of Greenland and the Company.

GMEL has been looking into third party infrastructure concepts to reduce capital costs in order to further enhance the projects economic metrics. The agreement to advance third party power solution is a significant step in progressing this strategy.

Importantly, utilising hydropower to produce raw materials that are critical to clean energy generation and new energy efficient technologies is an optimal outcome for the Kvanefjeld project, and will reduce the carbon footprint of the project and be advantageous to end product branding.

Upcoming Work Programs

Under the agreement the provider has mapped out a three stage work program.

- The first stage will be the delivery of a ‘power concept’ which will be completed within a couple of months, and will be incorporated into the mining license application prior to public hearing period. The power concept will draw off the information in the Kvanefjeld Feasibility Study, and the provider’s in-depth experience and expertise in power provision solutions.
- The second phase would commence upon receipt of mining permits, and aim to take the power concept to bankable status.
- The third stage will involve the supply of electromechanical equipment for the hydro-power plant and the substation and grid control for the network.

Kvanefjeld – Feasibility Update

In early April, 2016, GMEL completed an update to its Kvanefjeld Project Feasibility Study (FS), released May 25, 2015. The study update incorporates several modifications to the Kvanefjeld Project which significantly improve the Project’s financial outcomes. The study update utilises current lower pricing assumptions and a higher discount rate than those used previously, in order to more accurately reflect prevailing economic conditions. The study update reiterates the clear potential to develop Kvanefjeld as a stable, long-life, profitable, low cost producer of critical rare earths and uranium.

Highlights of the update:

- Following pilot plant operations, recoveries and production are higher
- Capital and operating costs are down; GMEL’s capital cost now US \$832M
- Project NPV has increased to **US \$1.59B** (post-tax)

- Project IRR has increased to **43.4%**
- Average annual free cash flow of **US \$376M**
- Cumulative free cash flow of **US \$8.88B**
- Third party infrastructure financing initiatives are progressing

During 2015, the key focus for GMEL was the completion of a mining license ('ML') application for the Kvanefjeld Project. In Greenland, an ML application must include a comprehensive feasibility study and environmental and social impact assessments. The scopes of both of the impact assessments are only settled once the scope of the feasibility study has been determined.

GMEL settled the scope of its feasibility study in 2014 and completed the study in May, 2015, which allowed for the environmental and social impact assessments to be successfully completed in Q4 2015. The ML application was then lodged with the Greenland Government for formal review

Having finalised the scope for the FS, GMEL continued to investigate opportunities to enhance the Project and also conducted pilot plant operations to evaluate continuous metallurgical performance at large scale.

A number of fundamental enhancements to the Project were identified through these steps and these have now been incorporated into the Company's Project valuation.

Results

The combined financial impact of the Project enhancements developed in 2015, as compared to the results of the Company's FS, can be summarised as follows:

- 1 The Project's **net present value** (NPV) has increased from \$1.36 to **\$1.59B**
- 2 The Project's **internal rate of return** (IRR) has increased from 21.8% to **43.4%**
- 3 **GMEL's project financing requirement** has been reduced to **\$832M**

The table below summarises the impact on Project financial metrics of 2015's enhancements.

For further information on the Feasibility Update, see the 6th April, 2016 Company ASX Announcement.

Table 1. A summary of the key financial metrics for the Kvanefjeld Feasibility Study Update (2016), with comparisons to those from the Feasibility Study, released May, 2015.

FINANCIAL METRICS		2015	2016
GMEL project financing requirements	US\$M	1,361.1	831.90
Net Present Value (NPV)	US\$M	1,399.80	1,592.98
Discount Rate	%	8	10
Internal Rate of Return (IRR)	%	21.8	43.4
Cumulative free cash flow**	US\$M	7,177.10	8,879.10
Payback period	Years	6	5
REVENUE - ANNUAL AVERAGE			
Total	US\$M	755.1	710.9
Uranium	US\$M	73.2	51.0
Critical Rare Earth Mixed Oxide [CMREO]	US\$M	584.7	611.8
Lanthanum and Cerium products	US\$M	82.7	33.6
Other by products	US\$M	14.5	14.5
COSTS - ANNUAL AVERAGE			
Project Operating Costs	US\$M/a	237.4	252.10
Separation Costs	US\$M/a	190.4	82.80
Total Cost	US\$M/a	427.8	334.9
Total Cost - US\$/kg		19.32	11.18
MARGIN			
Operating margin after separation costs	US\$M	329.6	376.1
REFINERY RECOVERIES			
Uranium	%	90	86
Rare Earth Elements	%	70	87

The updates to the FS can be grouped into:

- * **Technical improvements**
- * **Revised cost and price assumptions**
- * **The impact of third party financing options**

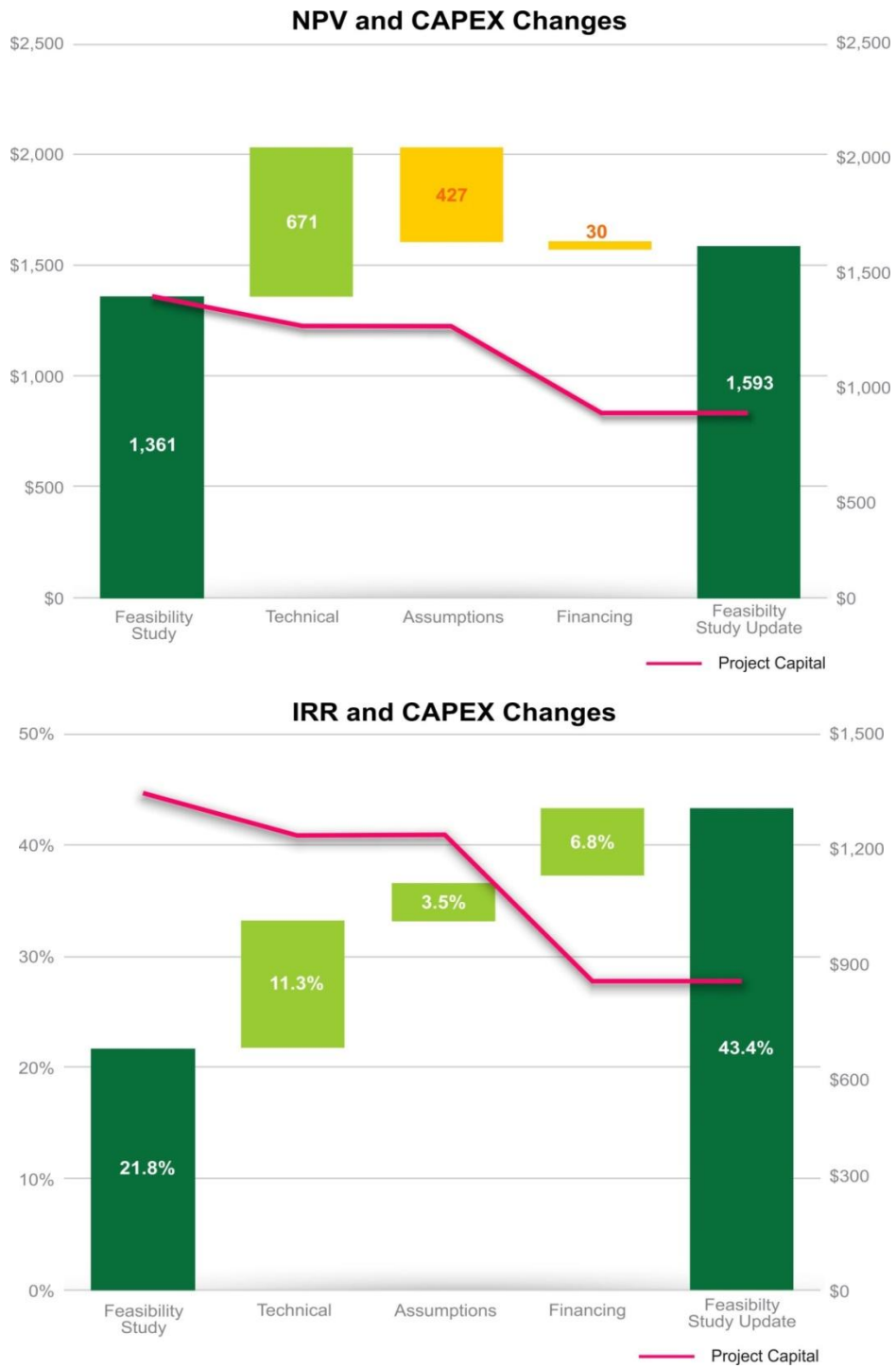


Figure 1. Graphical representation highlighting the impacts of key areas addressed in the feasibility update. Of the three main areas addressed, technical improvements have the largest positive impact on both the project Net Present Value, and Internal Rate of Return.

Mining License Application

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. Considerable progress has been made, with initial reviews of a number of components having been received by the Company. This includes the maritime study, social impact assessment, and environmental impact assessment. For further information on the application see the Company announcement, December 2nd, 2015.

The Company has held follow-up meetings with respective government department representatives to discuss reviews and recommendations. Revisions and modifications are being addressed, and the studies will then be updated before they are prepared for public hearing. The Danish Centre for the Environment has been reviewing the EIA, and specific components have been forwarded on to independent expert groups.

GMEL will look to provide further updates to the permitting timeline as the review process continues.

Greenland Government Ups Promotional Initiatives:

South Korea Trade Mission

The Greenland Government continues to work to promote its emerging industry and business opportunities to international forums. GMEL recently joined a delegation headed by Greenland's Minister for Industry, Labour, Trade and Foreign Affairs, Mr Vittus Qujaukitsoq, together with other senior government representatives on a Trade Mission to South Korea.

In recent years, Greenland has developed stronger political and commercial ties with South Korea, and other Asian nations. The Trade Mission showcased a cross section of Greenland's mining opportunities with an emphasis on advanced projects, along with Greenland's tourism and fisheries industries.

Such forums provide an excellent opportunity for the Greenland Government to outline its clear desire to develop and grow its natural resource sector, its strong support for industry, and the efforts to build trade ties. The forum was an excellent opportunity for the Company to update on the Kvanefjeld Project to a cross section of major industrial groups that are consumers of both rare earth products and uranium, as well as infrastructure providers.

Kvanefjeld is a high profile mining project for Greenland with mining license application documents currently undergoing review, following pre-hearing and terms-of-reference approvals in 2015. Important progress has been made by the Greenland Government to enhance its regulatory framework in order to manage the production and export of uranium in accordance with international best practice.

The Company would like to acknowledge the promotional efforts of the Greenland Government to support industry, and present a clear and positive backdrop for foreign investment.

Corporate Update – Resignation of Directors

Late in Q1, the company announced the resignation of Mr Jeremy Whybrow as a Director of the Company. Jeremy had been a founding Director of the Company. From 2007 to 2010 he held the position of Executive Director – Exploration, and played in key role in planning and implementing the extensive exploration programs that led to the delineation of one of the world’s largest JORC-code compliant resources of rare earth elements and uranium. In April 2010, Mr Whybrow moved to a non-executive role.

At the start of Q2, the company announced the resignation of Mr Michael Hutchinson as a Director of the Company. Mr Hutchinson joined the Company in November 2008 as Chairman, a role he held until September 2014, when he moved to the position of Non-Executive Director.

The Company is currently considering new candidates to renew and enhance the boards skill sets as it evolves to an increased focus on permitting and commercial development.

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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 now recognised as being critical to the global manufacturing base of many emerging consumer items and green technologies. 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. 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 conducted 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.

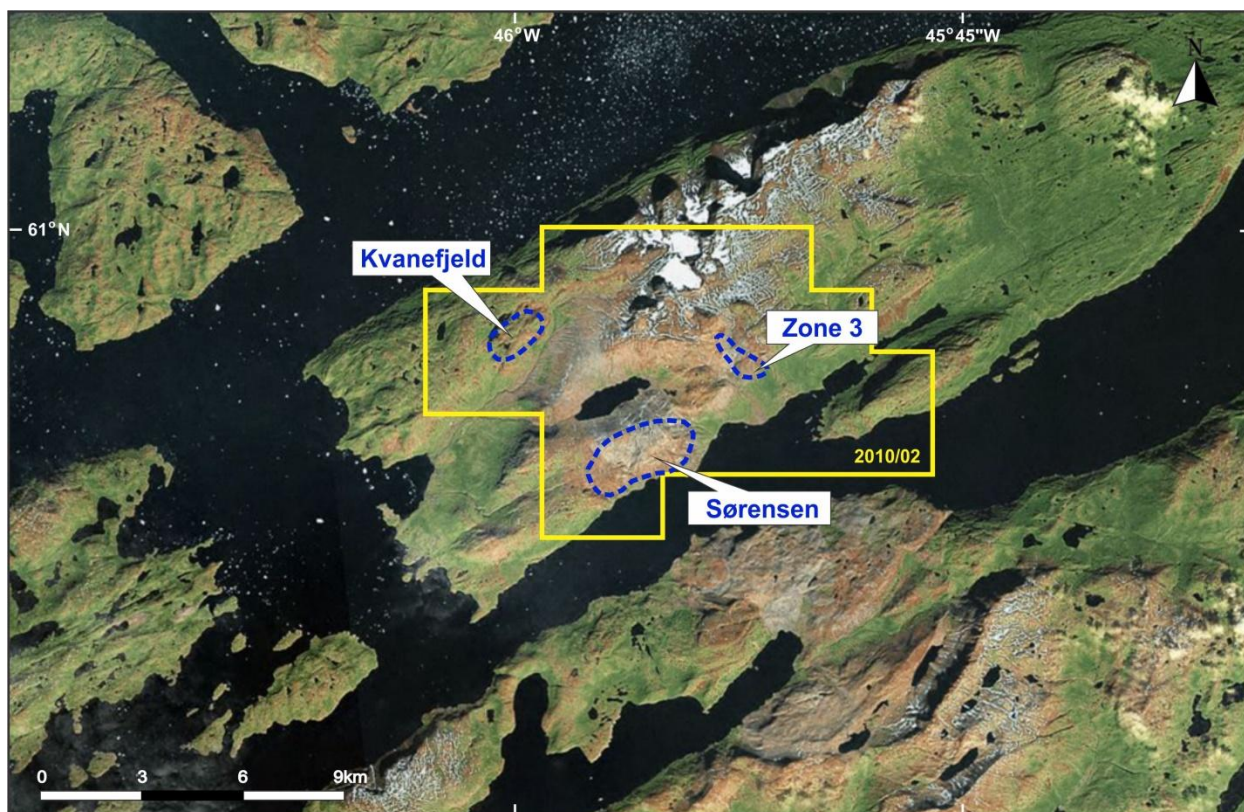
Location

The exploration lease covers an area of 80km² 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 31 st March 2016	
Total Ordinary shares	787,737,747
Quoted options exercisable at \$0.20 on or before 30 June 2016	105,657,865
Quoted options exercisable at \$0.08 on or before 30 September 2018	100,693,512
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 (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
<i>Kvanefjeld - February 2015</i>														
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

Multi-Element Resources Classification, Tonnage and Grade

Contained Metal

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

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
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

¹There is greater coverage of assays for uranium than other elements owing to historic spectral assays. U₃O₈ has therefore been used to define the cutoff 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.

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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 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.

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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 – 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.