



Company Announcement, June 1st, 2016

Greenland Minerals Conducts \$2M Capital Raising to Fund Kvanefjeld Project Permitting

- **Greenland Minerals receives firm commitments for \$2M capital raising to fund Kvanefjeld rare earth and uranium project through permitting process**
- **Major regulatory developments recently implemented in Greenland in order to effectively permit and develop the Kvanefjeld Project**
- **Successful pilot-plant operations in 2015 demonstrated process advantage and efficiency, complementing direct shipping access benefits, and hydropower opportunities**
- **Kvanefjeld Project progressing to be a globally-significant producer of key (rare earth) magnet metals, essential to energy efficient technologies, with uranium oxide, zinc and fluorspar by-products**
- **Mining license application submitted in late 2015, technical assessments progressing; solid technical and regulatory foundation in place**
- **Well-positioned as one of the most advanced and significant rare earth and uranium projects globally**

Greenland Minerals and Energy Ltd ('GMEL' or 'the Company') is pleased to advise that it has received firm commitments to raise \$2M AUD at 3 cents per ordinary share with a free attaching GGGOB listed option. The funds will be used toward progressing the Kvanefjeld project through the permitting process. The capital raising has been jointly managed by CPS Capital Group and RM Corporate Finance.

The firm commitments will result in the issue of 66.6Mil shares and 66.6Mil GGGOB options. The Company maintains the right to issue up to 83Mil shares (in total) and an equal amount of options to accommodate interest from overseas investors.

In 2016, GMEL's focus is on advancing the Kvanefjeld Project through the permitting process in accordance with Greenland's rules and regulations. The Kvanefjeld Project is globally unique; the extensive rare earth and uranium resources are conducive to simple, pilot-plant proven metallurgy and the project has direct shipping access.

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In 2015, the Company completed a mining license application for the Kvanefjeld Project. This represented the culmination extensive technical, environmental and social studies conducted since 2007.

Through late 2015 and early 2016 major advances have been made to Greenland's regulatory framework in order to manage the production and export of uranium, in accordance with international conventions and best practice. This includes Greenland's accession to a series of international conventions relating to safety and handling of radioactive materials, and formal agreements being reached with Denmark on uranium exports from Greenland.

These key developments provide a solid foundation to progress Kvanefjeld through the permitting process, with uranium being one of a series of products that are projected to be produced from Kvanefjeld. Major technical reviews of key applications components are currently underway.

With major regulatory advances in Greenland and permitting on track, GMEL is now well-positioned as one of the most advanced, and significant, rare earth and uranium project globally. Both rare earth metals and uranium are strongly leveraged to the growth in clean energy generation and efficient energy use; both important growth areas. The foundation is now in place to advance the dialogue on commercial development.

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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 100% controlled license areas in southern Greenland contain one of the world's largest resources of both rare earth elements and uranium. Initial development is focussed on the Kvanefjeld deposit that is positioned to be developed as a long-life, low cost producer of critical rare earths and uranium. The extensive mineral resources offer further expansion and development opportunities.

A pre-feasibility study was finalised in 2012, and a comprehensive feasibility study was completed in May, 2015. 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.

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 – 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.