



December 2015 Quarterly Report

January 29th, 2016

Highlights:

- **Government of Greenland approve Kvanefjeld pre-hearing ‘White Paper’ and ‘Terms of Reference’, which set an agreed initial development strategy**
- **First project in Greenland to progress through a public pre-hearing process, and clear path for permitting phase to commence**
- **Substantial progress made by Government of Greenland on regulatory matters:**
 - Ratification of accession to six international safety conventions relating to the safety and handling of radioactive materials
 - Greenland and Denmark then progressed on to finalise an agreement on uranium exports from Greenland in January, 2016
- **Exploitation (mining) licence documents including a full feasibility study and environmental and social impact assessments completed, handed over to Greenland’s Mineral Licensing and Safety Authority**
 - Study components then distributed to relevant technical departments and agencies
 - Indicative cost estimate received outlining quarterly breakdown for the key processing steps
- **Tetra Tech Proteus recognised for work on Kvanefjeld through winning the Bentley Award for Innovation in Mining, 2015**
- **Following the completion of major technical study programs, substantial cost-cutting implemented through a reduction in staffing, and administrative and corporate overheads**
- **With key regulatory developments and completion and lodgement of an exploitation license application, GMEL enters a new phase in 2016, with a focus on permitting and commercial development, and further value add initiatives**

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December 2015 Quarterly Activities

A productive fourth quarter saw Greenland Minerals and Energy Ltd ('GMEL' or 'the Company') complete a successful year, through the achievement of key objectives and milestones, including the completion and lodgement of a mining licence application for the Kvanefjeld Project. This represented the culmination of work conducted on and associated with the project since 2007 across technical, corporate and stakeholder focussed areas.

Major progress was made by Greenland with support from Denmark on regulatory aspects to ensure that Greenland's system is proficient in regards to radioactive materials, and compliance with international standards and best practice. This represented the result of substantial work programs by both Greenlandic and Danish government departments over the last three years.

As a result of these developments, 2016 marks the beginning of a significant next phase for GMEL. The key areas of focus will be working closely with Greenland to advance the exploitation license application, areas of commercial development, and also identifying value-add opportunities afforded by the license area, and the substantial mineral resources beyond the Kvanefjeld Ore Reserve. This includes looking to increase uranium output, primarily through recovery from flotation tailings.

With this transitional phase, and the challenging global economic backdrop, the Company has completed major cost-cutting initiatives to appropriately streamline the organisation. With major multi-year technical work programs coming to a close in 2015, this has seen a reduction in both technical and administrative staffing, and a reduction in corporate and general overheads. The Company is anticipating a research and development rebate from the Australian Government of approximately \$400,000 AUD in mid-2016.

Through 2016, GMEL will consolidate its position as driving one of the most advanced and significant projects in the uranium and rare earth spaces globally. Few projects have advanced in these respective sectors in recent times, where GMEL has materially progressed and is well-positioned for rejuvenation in the critical rare earth and uranium markets.

The outlook for nuclear power continues to build, particularly in the wake of growing international support for the phase out of fossil fuel driven base-load energy supply (i.e. 2015 UN Climate Change Conference, Paris) and the commitment of UN member nations to reduce their CO₂ emissions. This will have a positive impact on uranium. Demand forecast for rare earths key to the permanent magnet industry are strong (praseodymium, neodymium, dysprosium, terbium), with very few advanced new supply options.

Pre-Hearing Process and Approvals

The Greenland Government introduced a public pre-hearing period for mining projects as part of the approval of the Terms of Reference (ToR). This allowed increased input from individuals and stakeholder

groups, as part of establishing a preferred development strategy, before projects move into the permitting phase.

Through the latter half of 2013 and early 2014, GMEL conducted a number of workshops with representatives of Greenland's Minerals Licencing and Safety Authority (MLSA), the Ministry of Industry and Mineral Resources, the Environmental Agency for the Mineral Resources Area (EAMRA) and the Kommune Kujalleq (Southern Municipality), to discuss the various development options available.

On the basis of these workshops, and in order to meet the requirements of Greenland's Mineral Resources Act that necessitates maximum possible in-country processing, GMEL set the preferred development strategy in mid-2014, with both the concentrator and refining stages to be conducted in Greenland.

Further information on the path to setting the ToR and the extensive studies that contribute to the environmental and social impact assessments were outlined in a company announcement released on August 11th, 2015.

GMEL lodged the ToR documents to the government in late 2014, and conducted a 35 day public hearing period. Comments from 13 stakeholder groups, non-government organisations (NGO's) and individuals were compiled by Greenland's MLSA, and forwarded to GMEL.

Responses to the questions and comments were compiled by the Company then reviewed by the MLSA and advisory bodies prior to translation to Danish and Greenlandic. The White Paper and ToR were then approved by the Greenland Government during the parliamentary sitting in the latter half of 2015.

Regulatory Advances in Greenland

Since 2013, the Governments of Greenland and Denmark have been undertaking work to identify the respective responsibilities, and required regulatory advances, associated with Greenland being able to produce and export uranium in accordance with international best practice. Major progress has been made in this area, with key developments taking place in 2015, and early 2016.

During the fall sitting of parliament in late 2015, the Government of Greenland ratified its accession to a series of international conventions that relate to the safety and handling of radioactive materials. The conventions had been identified through work programs by the Greenland and Danish governments on the regulation of uranium production and export.

International Conventions Implemented by Greenland Government

- International Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management.

- International Atomic Energy Agency (IAEA) Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency.
- Amendment to the IAEA Convention on the Physical Protection of the Nuclear Materials
- International Convention for the Suppression of Acts of Nuclear Terrorism.
- International Labour Organization (ILO) Convention No. 115; Radiation Protection Convention (Convention concerning the Protection of Workers against Ionising Radiations).
- The IAEA Convention on Nuclear Safety.

Landmark Uranium Export Agreement Reached

On January 19th, The Government of Denmark and the self-rule Government of Greenland announced that a formal agreement had been reached 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.

These key regulatory developments are significant, and a demonstration of the efforts and progress by the Greenland Government to ensure Kvanefjeld can be developed in compliance with international safety conventions and best-practice.

Work programs by the Greenland and Danish governments on regulatory matters concerning radioactive materials have taken place in parallel to establishing a development strategy for the Kvanefjeld rare earth – uranium project, and completing a mining (exploitation) license application.

Exploitation License Application Completed

During Q4, GMEL completed an exploitation (mining) license application for the Kvanefjeld Project. The completion of a mining license application represents the culmination of rigorous technical studies, onsite surveys and community consultation conducted since 2007. The application includes a definitive feasibility study, and environmental and social impact assessments. The documents were handed over to Greenland's Minerals Licensing and Safety Authority in December.

The application documents have been distributed to relevant government departments and advisory agencies, for the initial phase referred to as the guidance period. Input from the guidance period is then incorporated into the application for the public hearing phase. GMEL has since received quarter by quarter cost estimates for the processing of the application through 2016. The Company looks forward to updating on the timing of key steps in the permitting process.

Tetra Tech Proteus Recognised for Work on Kvanefjeld

Tetra Tech Proteus are a global engineering company based in North America that have extensive experience in developing mining and infrastructure projects in cold climate environments, and was the main contributing independent consultant for the Kvanefjeld Feasibility Study.

On November 4th, Tetra Tech Proteus won the 'Bentley Be Inspired' award for Innovation in Mining 2015, for work conducted on the Kvanefjeld Project.

GMEL is extremely pleased to have key aspects of the Kvanefjeld feasibility program recognised in such a prestigious forum. The Company would like to thank Tetra Tech Proteus for the high level of engineering skill contributed to the Kvanefjeld Project, and acknowledge Bentley for the award.

Sector Updates – 2016 Outlook

Uranium

The surprisingly slow pace of reactor re-starts in Japan has overshadowed the continuing strength of nuclear power internationally. In 2015 there were 442 operational nuclear power reactors which produced around 11.5% of global electricity. In addition there are 66 new nuclear power stations under construction, including 24 in China and 5 in the United States.

In the medium term there are plans for up to 158 new nuclear plants worldwide reflecting the growing recognition that nuclear power is a major source of substantially carbon-free electricity generation. In Japan, almost five years after the earthquake and tsunami which destroyed the Fukushima nuclear power plants, two nuclear plants were re-started in late 2015 and a further 2 are scheduled for re-start in late January 2016.

Japanese power utilities hope to re-start at least another 6 plants in 2016 and possibly more in 2017. The extended closure of Japan's 43 operable nuclear plants has resulted in continued nuclear fuel inventory build in Japan and has contributed to persistently weak spot prices moving around US\$35/lb U₃O₈ for the last year.

Uranium demand for existing and under construction reactors will grow steadily from around 165M lbs U₃O₈ in 2016 to over 230M lbs U₃O₈ in 2026, which presents a serious challenge for the uranium mining industry which produced 155M lbs U₃O₈ in 2015 in a declining trend as spot and term prices remain below the price required to invest in new production.

Most uranium industry commentators predict that uranium prices will need to rise significantly over the next five years to bring sufficient production on line to avoid another severe price squeeze as reactor demand inexorably grows.

Rare Earths

It has been a challenging quarter for companies in the rare earth sector. Transition to the industry in China continues, leaving Chinese producers managing a combination increasing regulation (i.e. costs), overarching structural change with an industry consolidation program underway, against low prices. Prices have remained low since earlier in 2015 when export quotas were removed, leading to stock piled material entering the market as Chinese economic growth has slowed.

However, the tightening regulatory framework, consolidation efforts, and decline in inventories following the export quota removals, provide confidence to pricing improvements. Outside of China, Molycorp, one of only two “western world” producers of rare earths, is in Chapter 11 proceedings in the US and the number of rare earth juniors that have meaningfully progressed has reduced drastically.

Against this short term backdrop, the prognosis for rare earth demand remains very good, particularly for those elements of the rare earth complex that are critical to the production of permanent magnets (“magnet metals” – Pr, Nd, Dy, Tb). The consensus view in the medium term the demand growth will outstrip the supply of magnet metals. Given the Chinese Government’s policy of husbanding rare earth mine resources, magnet metals will be in short supply. For example, in 2015 estimated domestic demand for praseodymium and neodymium in China exceeded 30,000t, whereas the production quota was 20,000t. This is a significant supply shortfall. The activities of illegal miners are obviously critical to this balance but the Chinese Government will continue to put pressure on these sources and new production will be required to meet demand.

One notable impact of this shortfall is that Chinese rare earth companies are more conspicuously looking to secure supplies of rare earths from outside China. Companies with the potential to offer secure, long term supplies of the important rare earths will be clearly attractive to these suitors.

Corporate Update – Changes in Substantial Shareholdings

Following the rights issue conducted through September and into early October, the Company has one substantial shareholder, Tracor Ltd, with a holding of 6.7%. Rimbali Pty Ltd, which had been a substantial shareholder since the Company moved to 100% ownership of the Kvanefjeld Project in 2012, has dropped well below the 5% substantial shareholder level.

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.

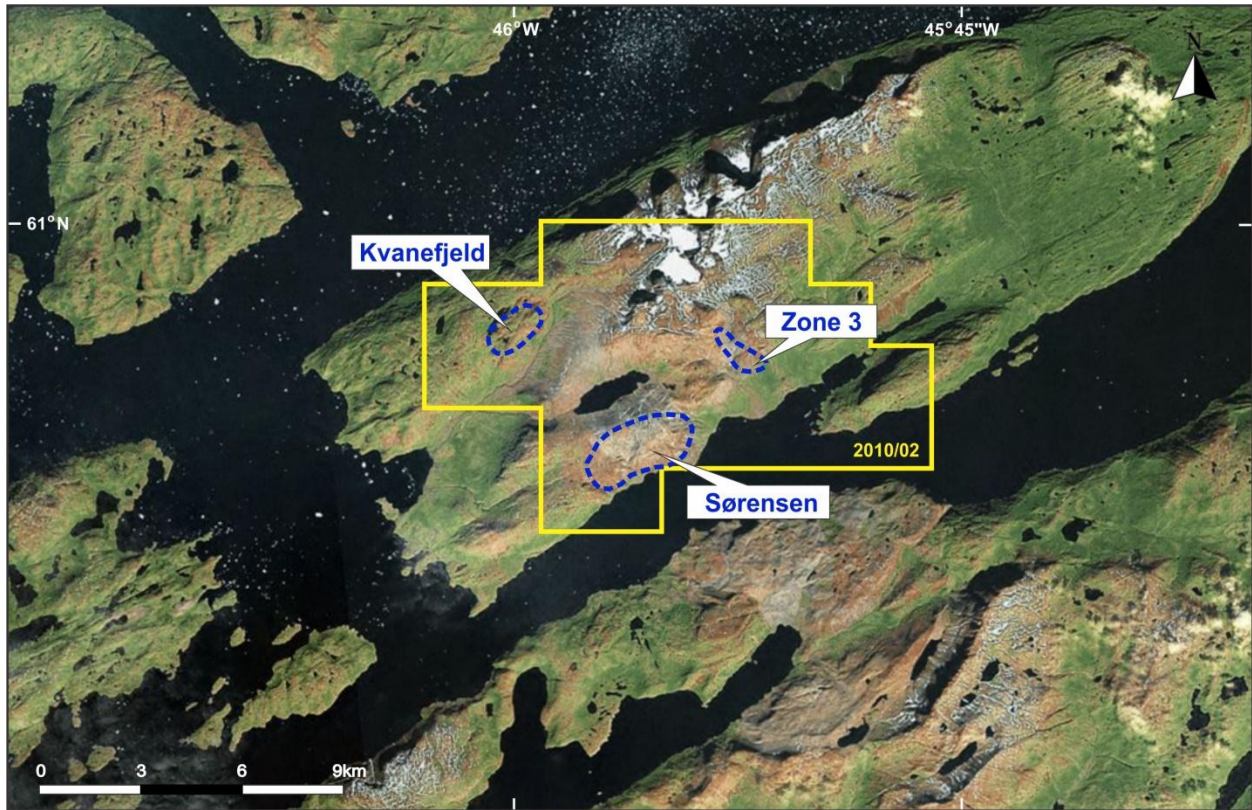
Location

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 December, 2015 | |
|--|-------------|
| Total Ordinary shares | 787,708,978 |
| Quoted options exercisable at \$0.20 on or before 30 June 2016 | 105,658,172 |
| Quoted options exercisable at \$0.08 on or before 30 September 2018 | 85,721,974 |
| 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)

| Cut-off (U ₃ O ₈ ppm) ¹ | Classification | Multi-Element Resources Classification, Tonnage and Grade | | | | | | | | Contained Metal | | | | |
|---|----------------|---|--------------------------|--------------------------------------|---------------|-------------|---------------|--------------------------------------|--------------|-----------------|-------------|-------------------------------------|--|-------------|
| | | 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 |

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

| Cut-off (U ₃ O ₈ ppm) ¹ | Classification | Multi-Element Resources Classification, Tonnage and Grade | | | | | | | | Contained Metal | | | | |
|---|--------------------|---|--------------------------|--------------------------------------|--------------|-------------|---------------|--------------------------------------|--------------|-----------------|-------------|-------------------------------------|--|-------------|
| | | 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.

-ENDS-

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.