



Company Announcement: *Tuesday, 13 December 2011*

## **Extension to Settlement Agreement**

Greenland Minerals and Energy Ltd ('GMEL' or 'the Company') is pleased to announce that it has negotiated an extension to the settlement agreement with Westrip/Rimbal that was announced to the Australian Securities Exchange (ASX) on August 15<sup>th</sup>, 2011. Finalisation of the settlement agreement will see GMEL move to 100% ownership of the Kvanefjeld multi-element project.

The terms of the settlement remain as previously announced, however the settlement date has been extended to June 15<sup>th</sup>, 2012. Also of note is that the deposit that was placed as security over the settlement has been adjusted. GMEL has agreed to swap the \$5M (AUD) cash deposit with shares to the value of \$3.5M as at the date of extension, but retains an option to cancel the shares and pay cash if the value of those shares is more than \$4M at June 15<sup>th</sup>, 2012. The Company has also released \$1.5m to the counterparties, and has received back the remaining \$3.5M of the cash deposit. The \$1.5m has been deducted from the total amount payable.

With GMEL looking to reach several key milestones in the coming months, the board is confident that it will be well positioned during the first half of 2012 to satisfy the requirements of the settlement agreement, on terms that will be value-accretive for shareholders.

Yours faithfully,

Roderick McIlree  
Managing Director  
Greenland Minerals and Energy Ltd