

GREENLAND

MINERALS AND ENERGY LTD

Company Announcement
Friday, 2nd of July 2010

1. On 29 June 2010 Westrip Holdings Limited (“Westrip”) issued a media release which wrongly asserts that Greenland Minerals and Energy Limited (“GGG”) terminated its Joint Venture Agreement (“JVA”) with Westrip. Although this media release does not appear to have been taken up by any media agencies the company feels it appropriate to respond as follows.
2. GGG has not terminated the JVA. GGG has written to Westrip inviting it within 14 days to withdraw the wrongful assertion that GGG has terminated the JVA. The license in relation to the Kvanefjeld Project in Greenland is held by a Greenland registered company “Greenland Minerals and Energy (Trading) AS”. GGG owns 61% of the shares of that company and continues to operate the project in the interests of all parties.
3. Despite Westrip’s claim regarding GGG’s financial support for the minority shareholders of Westrip in the UK litigation, the actual judgment handed down from those proceedings stated clearly that the dominant purpose of that litigation was to the benefit of Westrip and that the action was brought in good faith.
4. Westrip’s claims also include the failure of GGG to appoint representatives from Westrip to its Board. Westrip had two representatives on the board of GGG at the time of the acquisition of the project however they have both since resigned. Westrip has the legal right under the JVA to nominate Board representatives and also has this right as a >5% shareholder. However no formal nomination or consent to act as directors from any Westrip representative has been submitted or received by GGG, despite being invited to do so.

Greenland Minerals and Energy Limited



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5. The decision by the Board of GGG to suspend the shares of GGG preceded and is entirely unconnected to the matters referred to in this announcement. The trading halt (and subsequent voluntary suspension) as announced to the market on 21 June 2010 is related to the completion of a capital raising. Notice of this raising will be released to market in the coming days.

On behalf of the Board



Roderick McIlree

Managing Director
Greenland Minerals and Energy Ltd

ABOUT GREENLAND MINERALS AND ENERGY LTD

Greenland Minerals and Energy (ticker: ASX – GGG) is an exploration and development company focused on unlocking the mineral riches of southern Greenland. The Company's flagship project is the Kvanefjeld multi-element deposit (Rare Earth Elements, Zinc, Uranium), that is rapidly emerging as the world's premier specialty metals project. A pre-feasibility study on Kvanefjeld has clearly demonstrated the potential for a large-scale economically robust mining operation. The Company continues to build a dialogue with the Greenland Government to map out a path for the potential development. For further information on Greenland Minerals and Energy visit <http://www.ggg.gl> or contact:

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