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Notes on the April 2008 Kvanefjeld Resource Estimate
(supplementary to Public Release, 2nd May 2008: "Kvanefjeld Multi Element Project Resource Update")

Table 1 reports the April 2008 Kvanefjeld resource estimates at a range of U_3O_8 (ppm) cut-off grades. Greenland Minerals and Energy (GGG) has advised that the 150ppm cut-off is likely to represent the transition from sub economic to economic grades for U_3O_8. Figures used in the table may exhibit rounding errors.

The resource estimates include mineralisation at Kvanefjeld south, central and north, and extend to a maximum depth of approximately 395m below the topographic high of 660mRL.

The following notes summarise the assumptions and processes applied during data handling, geometry modelling and resource estimation:

1. The resource estimates are based on a number of data sources which includes recent spectral probe readings and diamond drilling chemical analysis of multi elements, historical radiometric and equivalent spectral probe reading and cross correlation with historical radon canister analysis supplied by Greenland Minerals and Energy. Within the area covered by the current resource estimates, the dataset supplied was compiled from 65 historical diamond drill holes for a total of 9829.5m, and 42 recent diamond drill holes for a total of 10007.66m.

2. As can be seen in figure 2 – Plan view showing drilling density over the main mineralised zone, drilling is concentrate primarily around the central to northern portions of the project area on a 70m hole spacing, orientated N036^{O}E and 140m line spacing orientated perpendicular to the hole spacing. Within the central project area sits the historical Kvanefjeld mine and associated infrastructure. Over the historical mine area drilling attains hole and line spacings of approximately 50m consistent with the orientation of the broader area. To the south the drill hole spacing is expanded out to 140m for both hole and line spacings and again are orientated consistent with the broader area. Drill holes are predominantly vertical and extend to a maximum depth of 450m below surface in hole K0037.

3. The entire holes have been probed (where transfer of instrument was possible) using a number of probes, at a number of time lags and with varying hole conditions including cased, non cased, in water, without water etc (details of geophysical processes are available from the relevant competent persons nominated by GGG). A selection of hole representing the entire range and variability of the deposit have been selected and analysed for multi elements with more analyses still to come. In total

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2832.57m from 12 diamond drill holes have been analysed for Al, Be, Ca, Ce, Dy, Er, Eu, F, Fe, Ga, Gd, Hf, Ho, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Nd, P, Pb, Pr, Rb, S, Se, Sm, Sn, Sr, Ta, Tb, Th, Ti, Tm, U, Y, Yb, Zn and Zr. It is clear that whist the multi element analysis is under-sampled the sampling itself provides a representative cross section of the population encountered over the Kvanefjeld area.

4. The 3D geological interpretation utilised to define the domains for the estimation is largely geologically constrained by the host Lujavrite (and associate subunits). Predominant mafic blocks which are interpreted as being disruptive to the layered mineralised host have been integrated into the geological model as have any late stage dykes that display clear geometry. Under-sampled portions of the deposit (w.r.t multi element analysis) are assigned null values and ignored by the estimation.

5. Estimates currently use a bulk density of 2.75gm/cc as supplied by GGG as a result of a detail lithological analysis and sampling regime. A total of 1664 density samples were taken across the deposit and correlated to lithology to define the bulk density of the primary host units including, Basalt, Dolerite, Dyke, Gabbro, Lujavrite, Naujaite and Syenite. No oxidation profiles have been identified or are currently considered substantial.

6. The assignment of bulk density to lithology and subsequent application to geological modelling will be continued during the next field season with a view to fine tuning host density and further developing an understanding of deposit oxidation and bulk density variation both within and surrounding the mineralised zones.

7. Resources tabled in associated public release were estimated using Ordinary Kriging (OK) with sensitivity analysis undertaken on search and data criteria. Estimates were trimmed to the geological model post process within a third party software prior to final validation with original data and tabulation. Not cutting of grade values was undertaken prior to or after generation of the first pass estimates.

8. Resource estimates are classified by search criteria, data criteria, mineralisation domain and status of the geological understanding and subsequent geological model for the deposit. At this stage resources are classified as inferred.

9. Comparative estimates were undertaken using Multiple Indicator Kriging (MIK) by another party to confirm and lend support to the process which has been elected for use to identify the current resource estimates. The close agreement between the comparative estimates confirmed the appropriateness of the existing Ordinary Kriging approach. As the deposit evolves and more detailed understanding of the complexity and confining nature of the layered horizons is realised an alternative approach such as MIK may be deemed appropriate. The following tabulation represents the outcomes of the comparative analysis:

Cut-off ppm U3O8	Ordinary Kriging				Multiple Indicator Kriging				Difference			
	tonnes	U3O8ppm	U3O8%	U3O8 t	tonnes	U3O8ppm	U3O8%	U3O8 t	tonnes	U3O8ppm	U3O8%	U3O8 t
150	338,416,540	307.303	0.031	103,996	329,604,197	308.702	0.031	101,749	-3%	0%	0%	-2%

Note: MIK search criteria was marginally more stringent and as such the southern end of the deposit did not fill out, ie. Less tonnage overall.

The information in this report that relates to mineral resource estimation is based on work completed by Mr Robert Spiers who is a full time employee of Hellman and Schofield Pty Ltd and member of the Australian Institute of geoscientists and was peer reviewed by Arnold Van Der Heyden. Mr Spiers in conjunction with Arnold Van Der Heyden have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify them as Competent Persons as defined in the 2004 edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves".