GREENLAND
MINERALS AND ENERGY LTD

ASX: GGG

Company Announcement, December 11th, 2014

Feasibility Study Update:

Tetra Tech Engineering Design Study Complete

Greenland Minerals and Energy Limited ('GMEL', or 'the Company') is pleased to advise that the engineering design work by Tetra Tech for the Kvanefjeld Project feasibility study has been completed as scheduled. This is one of the major work programs that underpin the feasibility study, which is set for completion in Q1, 2015. Tetra Tech has undertaken civil, mechanical and structural design of both the concentrator and refinery process-plant facilities for Kvanefjeld. The comprehensive package of design information will be provided to China Non-Ferrous Metal Industry's Foreign Engineering and Construction Co. Ltd (NFC) for cost estimation.

A number of views of the final Feasibility Study design are displayed in the Appendix to this announcement. The planned location of the concentrator and refinery is near the top of the Narsaq valley adjacent to the Kvanefjeld resource, and will be serviced by new port facilities at the base of the Narsaq valley.

Other components of the feasibility study are also progressing on track; the Logistics Study by Blue Water Shipping of Denmark has now been completed that addresses the shipping logistics in and out of Greenland. The Port Design study by Danish consultancy Ramboll has also been completed. The assay program on infill drill holes at the Kvanefjeld deposit will be completed in the coming days. SRK Consulting will then be working to update the mineral resource estimate.

ENDS

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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 flagship project is the Kvanefjeld multi-element deposit (Rare Earth Elements, Uranium, Zinc), that is rapidly emerging as a premier specialty metals project. A comprehensive pre-feasibility study has demonstrated the potential for a large-scale, cost-competitive, multi-element mining operation. The Company is focussed on completing a comprehensive mining license application in order to commence project permitting. 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.

The information in this report that relates to exploration targets, exploration results, geological interpretations, appropriateness of cut-off grades, and reasonable expectation of potential viability of quoted rare earth element, uranium, and zinc resources is based on information compiled by Mr Jeremy Whybrow. Mr Whybrow is a director of the Company and a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whybrow has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Whybrow consents to the reporting of this information in the form and context in which it appears.

The geological model and geostatistical estimation for the Kvanefjeld, Sorensen and Zone 3 deposits were prepared by Robin Simpson of SRK Consulting. Mr Simpson is a Member of the Australian Institute of Geoscientists (AIG), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Simpson consents to the reporting of information relating to the geological model and geostatistical estimation in the form and context in which it appears.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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Appendix: Tetra Tech Engineering Design Complete

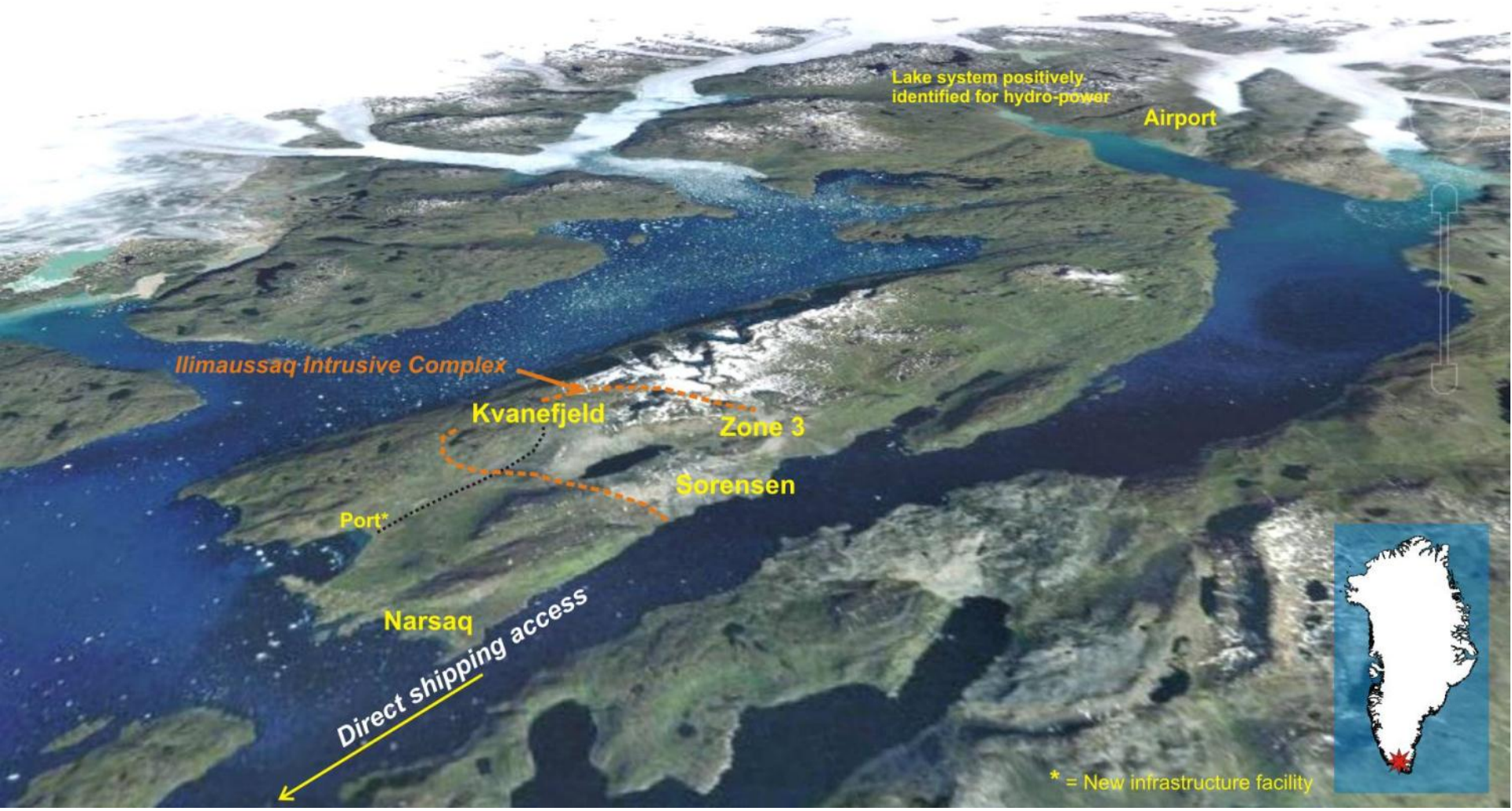
Strategic Metals For Global Industry

www.ggg.gl

December, 2014

Project Site Location

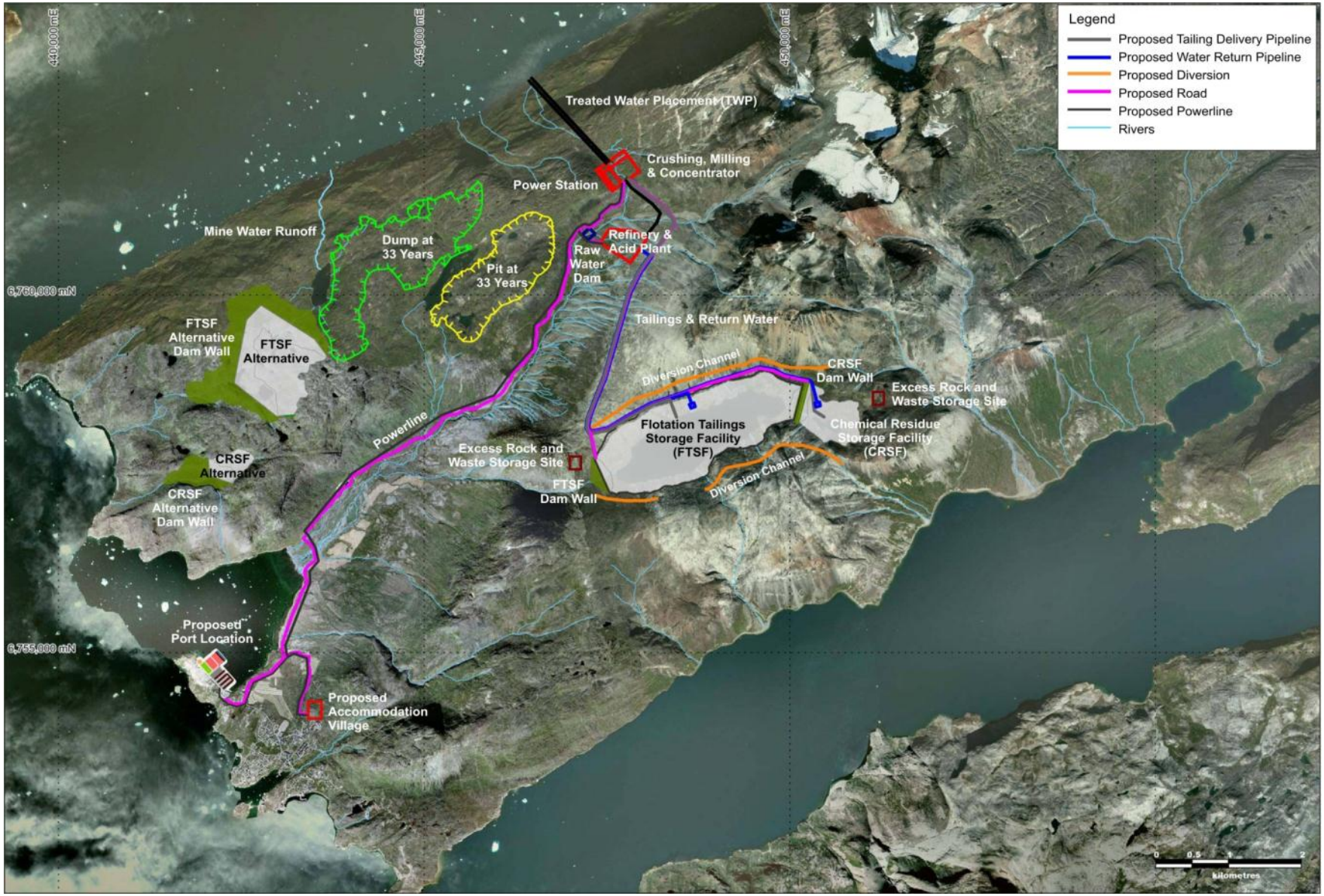
Project geography – direct shipping access, airport nearby



Overview of the Erik Aappalaartup Nunaa Peninsula (or Narsaq Peninsula), south Greenland, view is toward the north
The Kvanefjeld project is easily accessed by ship from the North Atlantic, year round
The distance from Narsaq town to Narsarsuaq Airport is 45 km

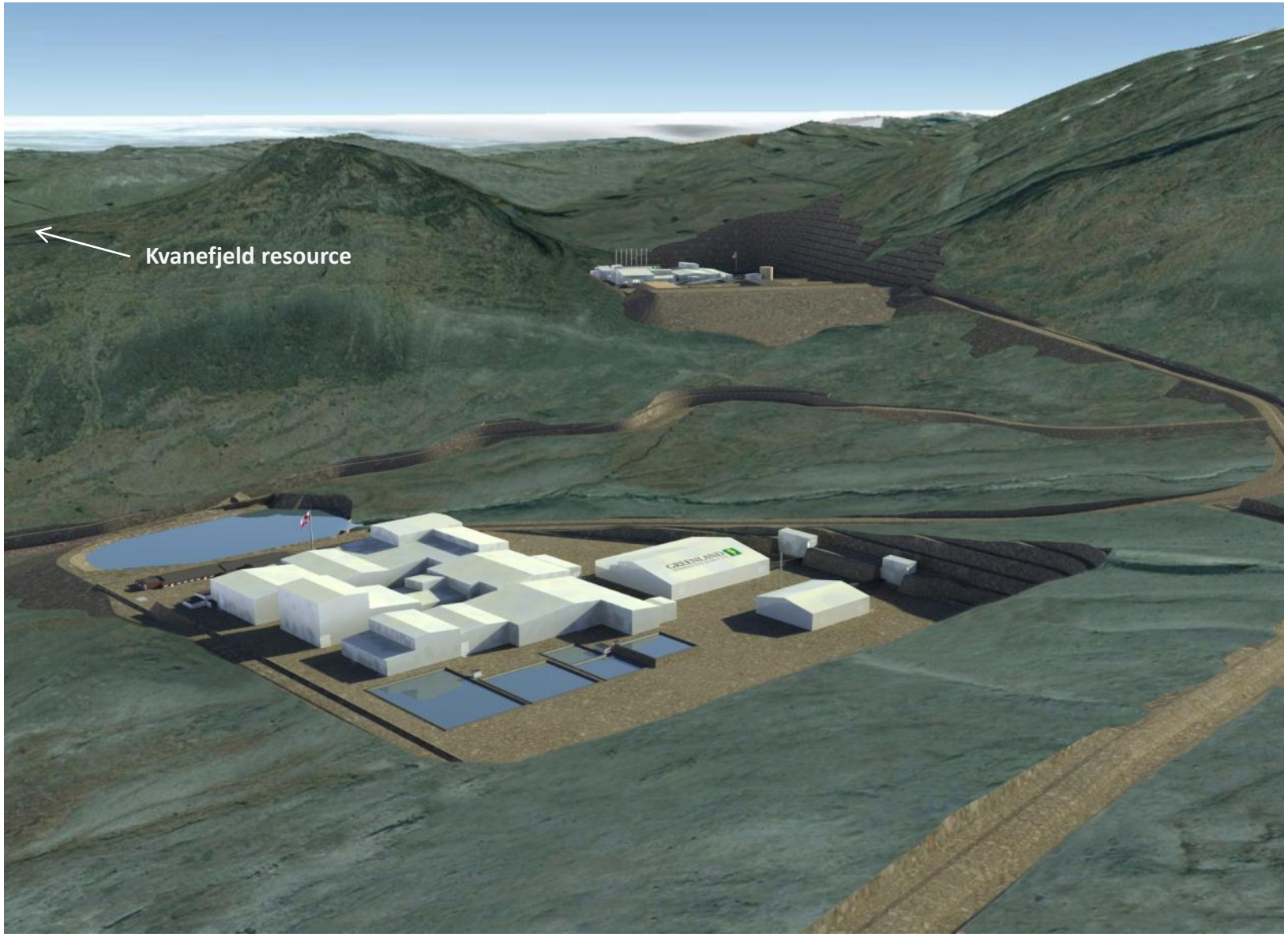
Overall Project Layout

Plan view of all the facilities required for the Kvanefjeld Project



Processing Plants

View of the Refinery facility in the foreground and Concentrator circuit in the background

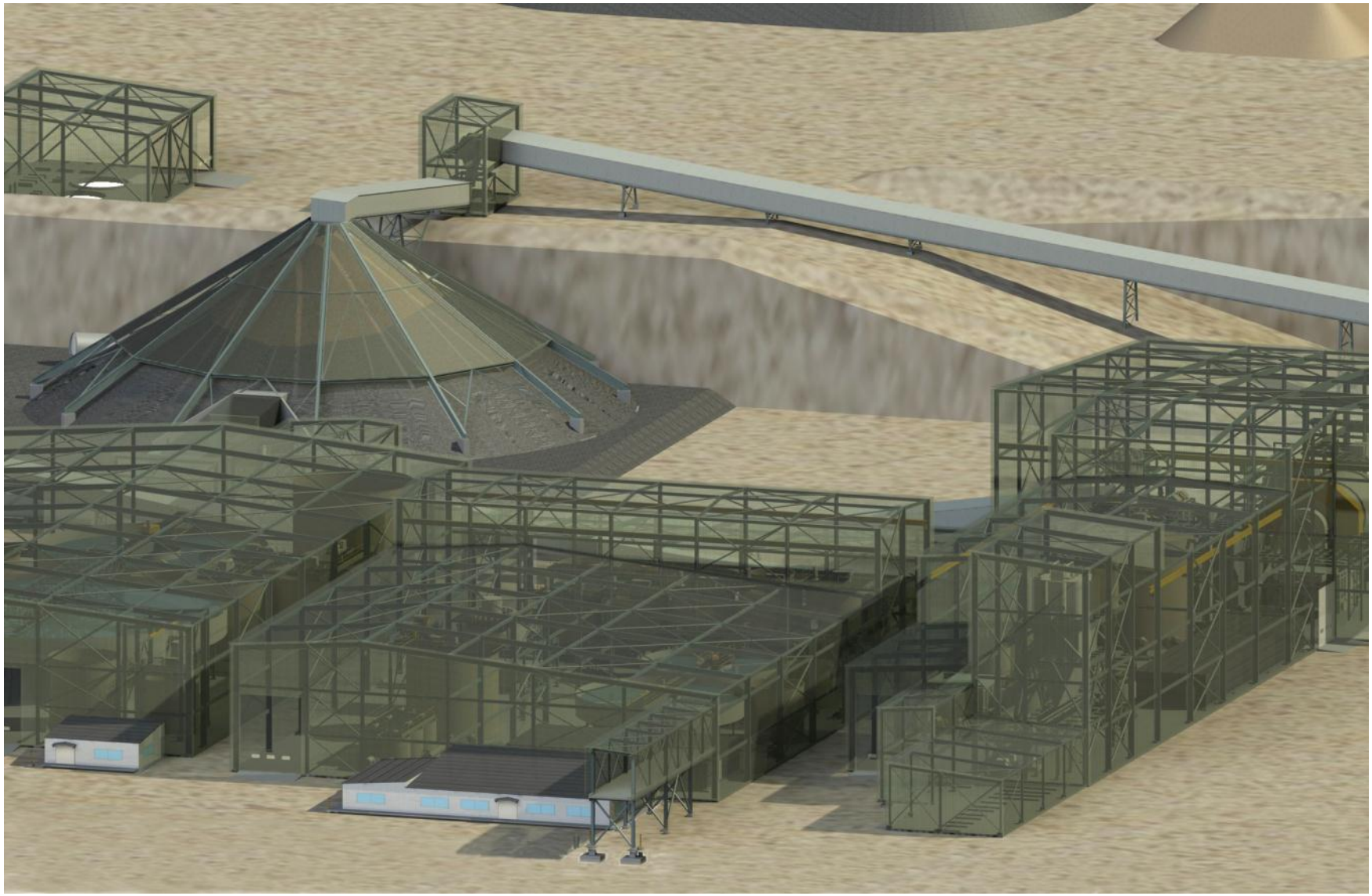


View Southward Over Comminution and Concentrator Circuit

Refinery and Tailings Facilities (FTSF) in the background

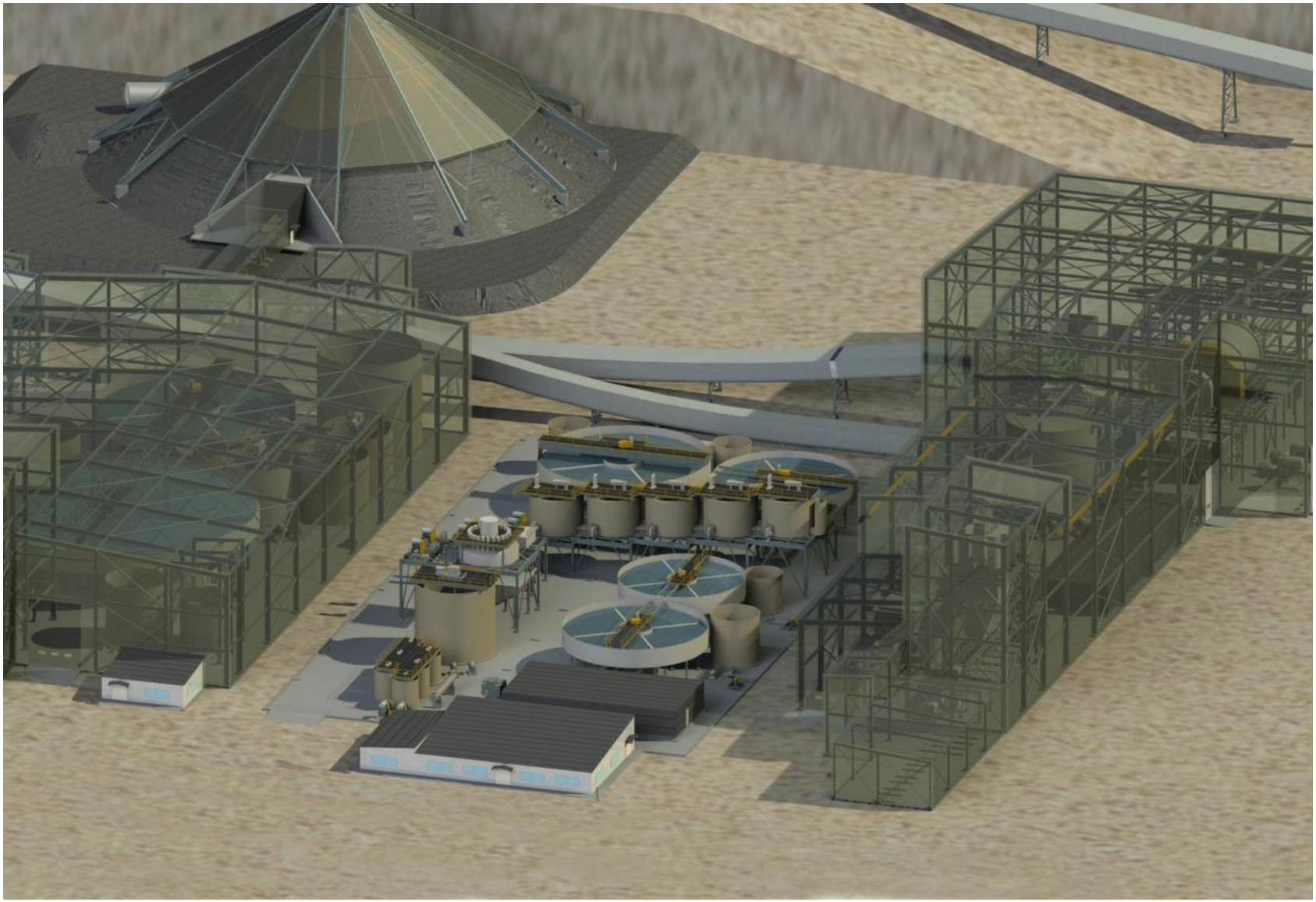
Concentrator Flotation Circuit

All equipment enclosed in weatherproof buildings for year round operation



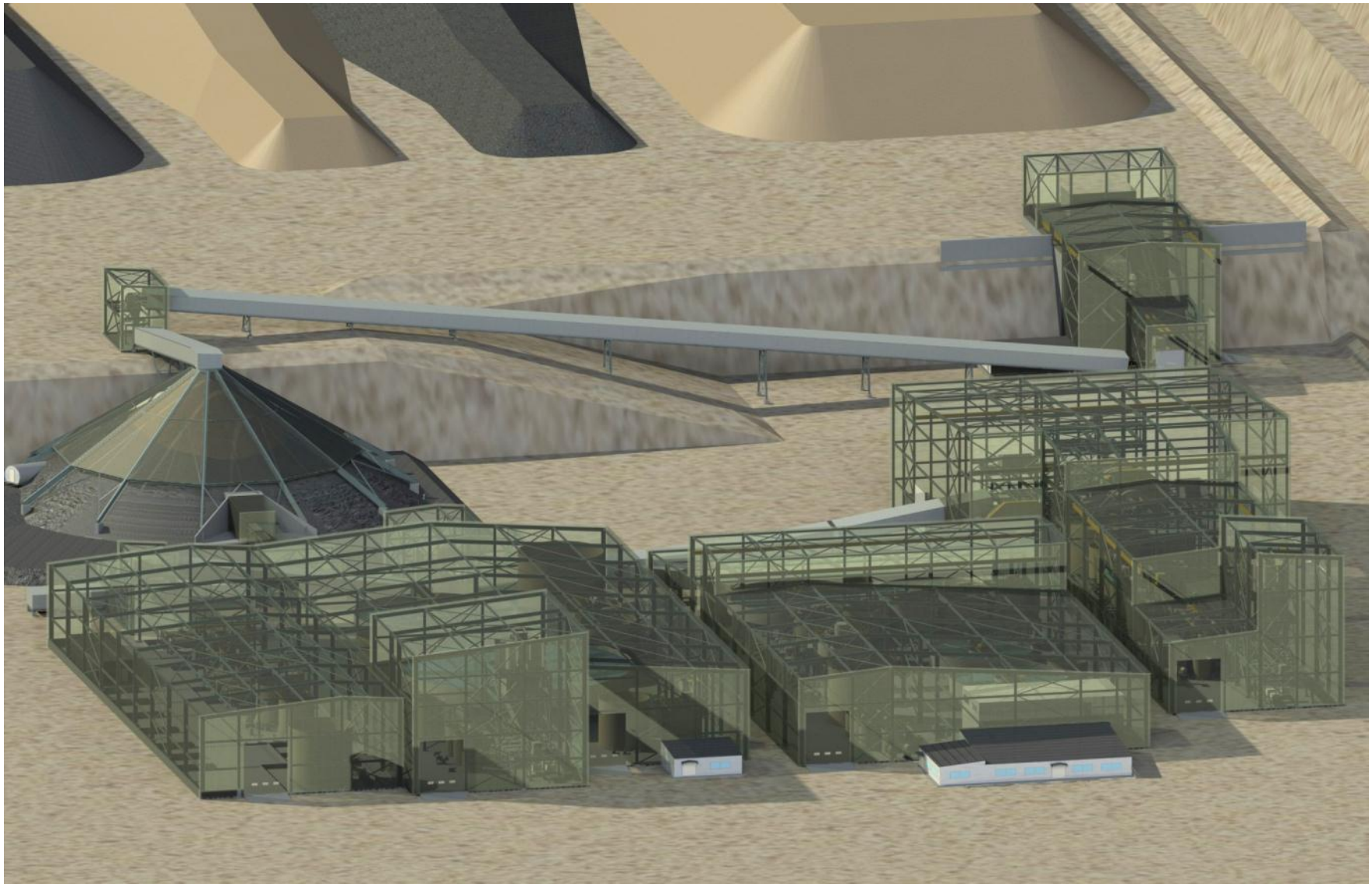
Concentrator Flotation Equipment

Buildings removed from view to show flotation cells and thickeners



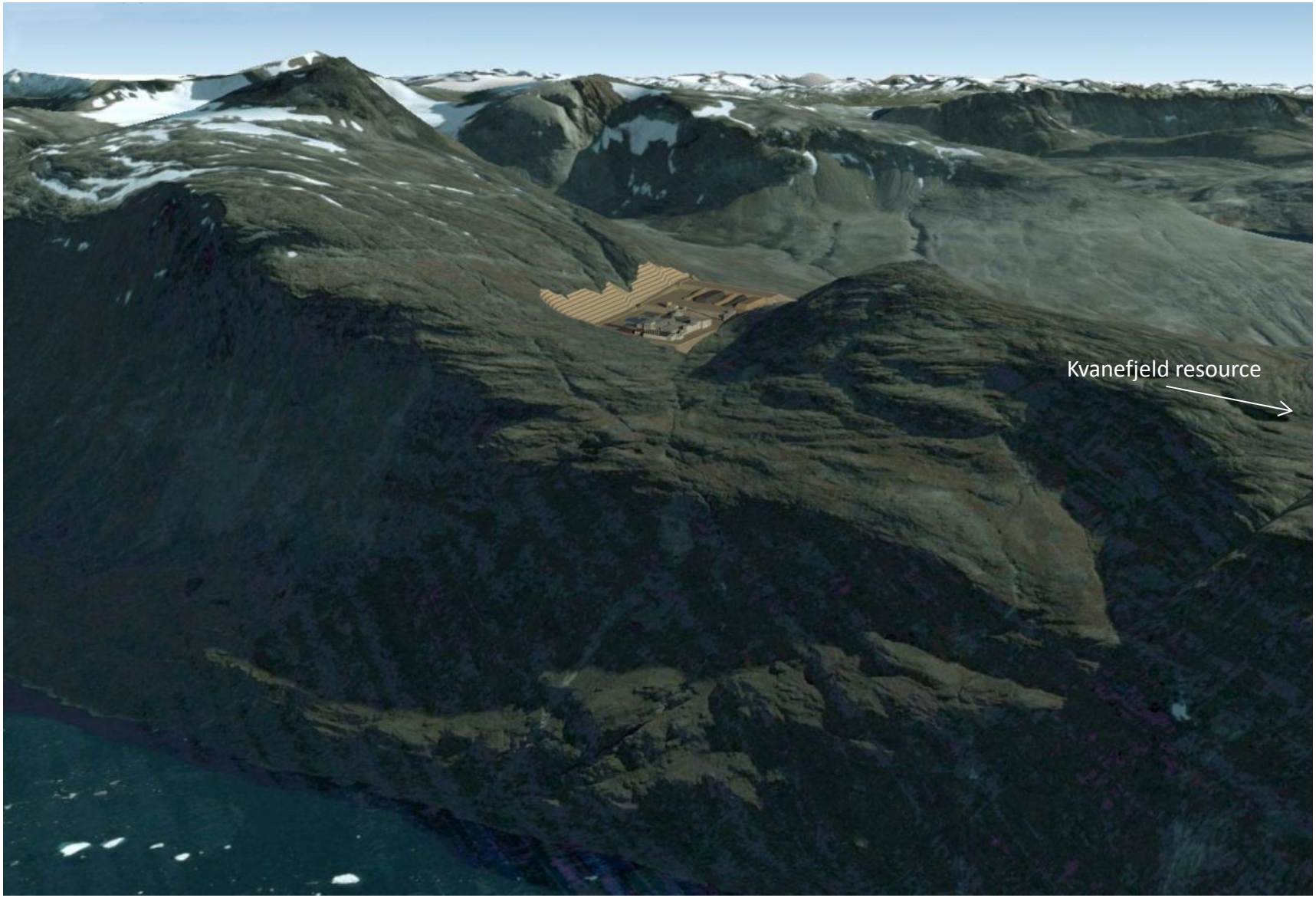
Concentrator Water Treatment Facilities

All water from the tailings dam will be recycled for treatment



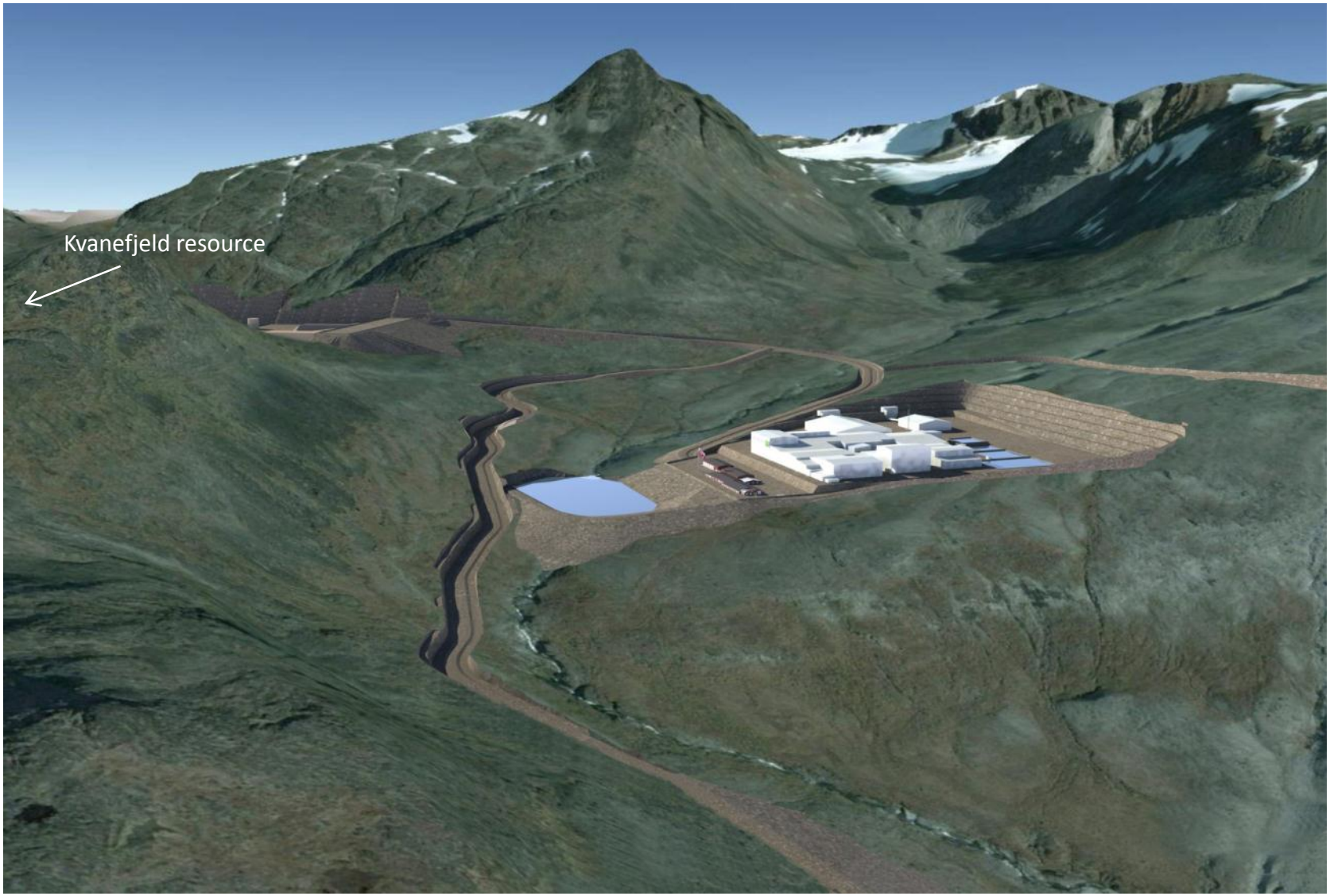
The Concentrator Circuit

View south over the comminution and concentrator circuit at the top of the Narsaq Valley



Approaching the Refinery From Narsaq by Air

A new road network will be constructed linking all project facilities

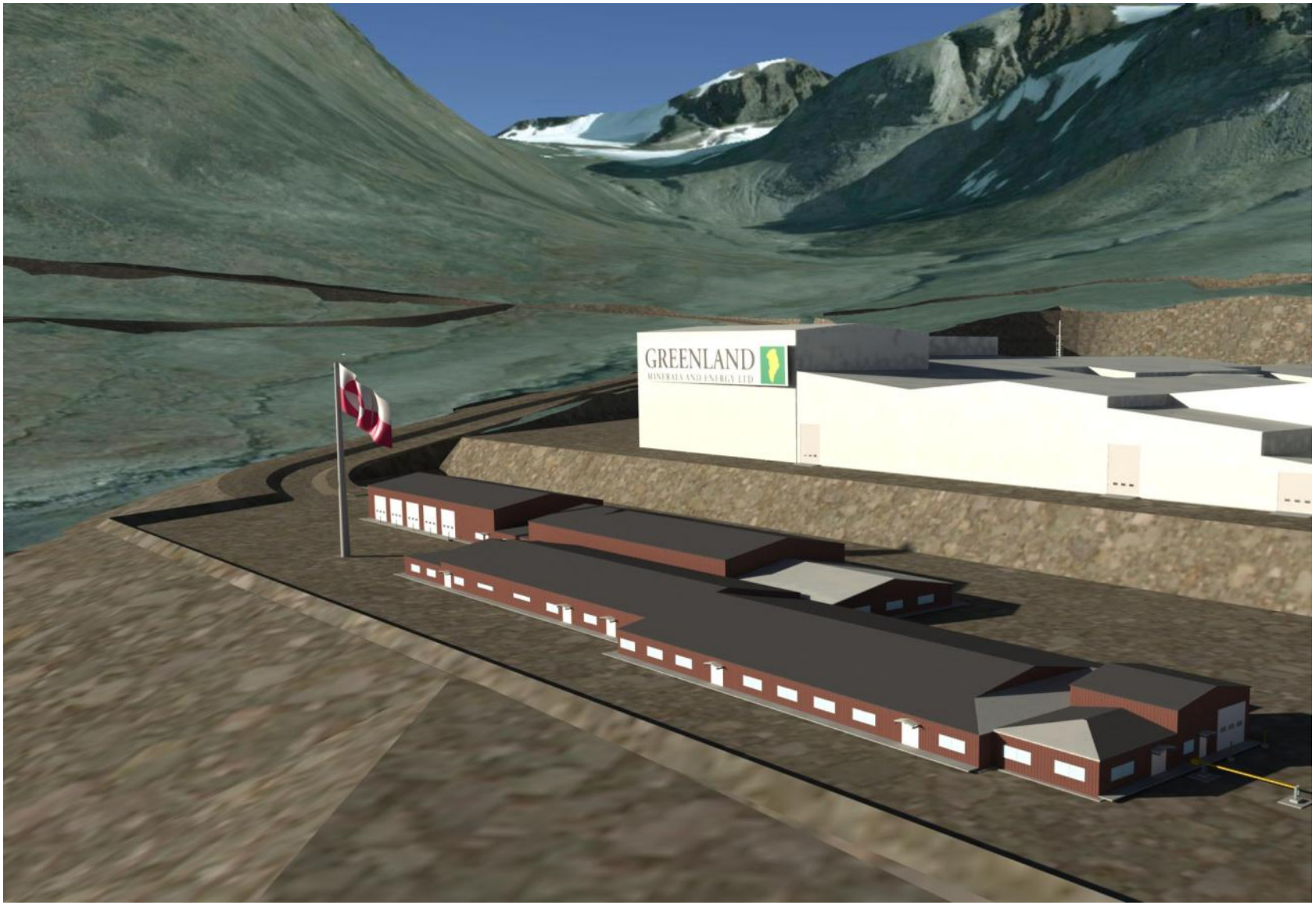


Overall Refinery View

Refinery site with water dam in the foreground

Entering the Refinery

Administration and technical staff offices

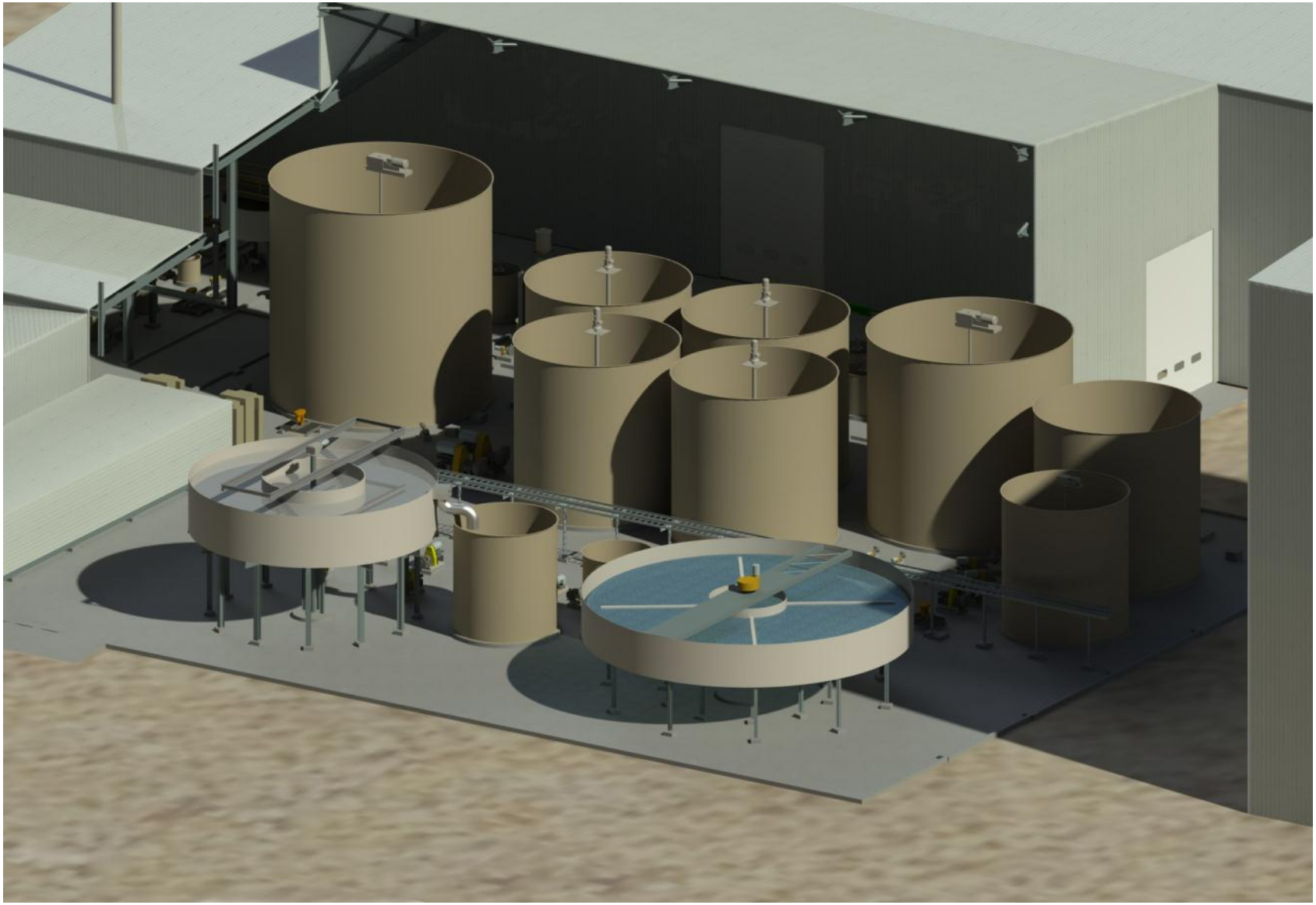


Refinery Leaching Equipment

Large tanks and filters required for processing the mineral concentrate

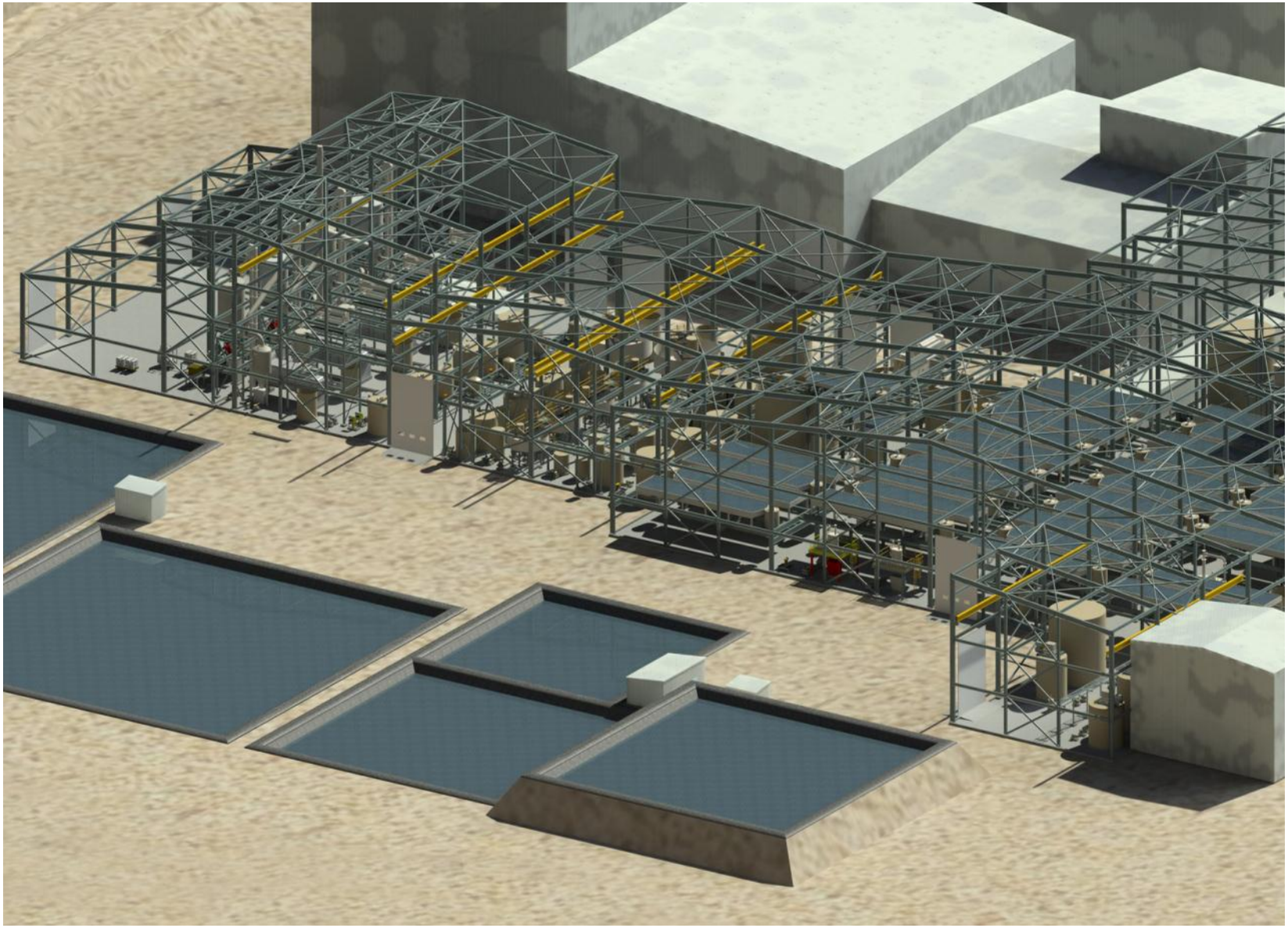
Water Treatment Facilities

All water is treated and all tailings are neutralised prior to storage



Rare Earth Product Preparation

High-purity critical RE concentrate to be produced in Greenland, along with Ce and La products



View From Project Accommodation Village Narsaq

The Processing Facilities and the Kvanefjeld Mine will be barely visible from the Narsaq Town