

Company Announcement, December 23<sup>rd</sup>, 2015

## **Greenland Ratifies Participation in International Regulatory Conventions Concerning Uranium**

- **Greenland parliament has ratified its participation in a series of international regulatory conventions**
- **The six conventions relate to safety and handling of radioactive materials**
- **Conventions identified through work programs by the Greenland and Danish government on the regulation of radioactive materials (uranium)**
- **Aimed to ensure Greenland operates in accordance with best international practice**
- **Represents an important regulatory development in relation to the management of radioactive materials**
- **Demonstrates the efforts and progress by the Greenland government to ensure Kvanefjeld can be developed in compliance with international safety conventions**
- **This important development comes as Kvanefjeld Project moves into permitting phase**

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Greenland Minerals and Energy Limited ('GMEL' or 'the Company') is pleased to advise that the Greenland Government has ratified its accession to a series of international conventions that relate to safety and handling of radioactive materials.

The conventions had been identified through ongoing work by Greenland and Danish government departments over the last two to three years. These work programs aimed to identify and implement advances to Greenland's regulatory system, such that mining activities involving radioactive materials (uranium) can be conducted in accordance with best international practice.

Denmark has been a signatory to the conventions for a number of years; however, Greenland's offshore territory status under the Kingdom of Denmark required that it independently ratifies accession, which has now taken place.

The six conventions and explanatory terms went through a public hearing process in Greenland through the middle of 2015, prior to being tabled for parliament.



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. The mining license application has been lodged with the Greenland government for guidance, with application components distributed to the relevant government departments and Danish institutes.

The latest 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.

The regulatory developments close out of productive year for GMEL. With a mining license application completed and handed over to the Greenland government, and important progress now made on regulations concerning uranium, the Company is well-positioned to transition into the permitting phase in 2016.

### **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.

### **Background**

The Kvanefjeld Project is inclusive of three defined mineral resources (Kvanefjeld, Sørensen, and Zone 3), with a combined global resource base of greater than 1 billion tonnes. It stands as one of the largest undeveloped resources of rare earth metals and uranium globally.

In 2015, a comprehensive feasibility study has been completed for the initial development strategy, and an ore reserve estimate established to sustain a 37 year mine-life. Environmental and social impact assessments have also be completed, which together with the feasibility study, constitute an exploitation (mining) license application.

The development strategy has been through a public pre-hearing phase, and the resulting white paper and terms-of-reference were approved by the Greenland government in 2015.

The Kvanefjeld project is designed to deliver a stable, low cost producer of critical rare earth products, uranium oxide, zinc concentrate and fluorspar. The polymetallic production profile, and unique non-refractory ore provide key advantages.

The process route has been rigorously developed, and both concentrator and refinery circuits have been successfully operated at pilot plant scale.

Collectively, these achievements have Kvanefjeld positioned as one of the most advanced rare earth and uranium projects globally.

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

Multi-Element Resources Classification, Tonnage and Grade										Contained Metal				
Cut-off (U <sub>3</sub> O <sub>8</sub> ppm) <sup>1</sup>	Classification	M tonnes Mt	TREO <sup>2</sup> ppm	U <sub>3</sub> O <sub>8</sub> ppm	LREO ppm	HREO ppm	REO ppm	Y <sub>2</sub> O <sub>3</sub> ppm	Zn ppm	TREO Mt	HREO Mt	Y <sub>2</sub> O <sub>3</sub> Mt	U <sub>3</sub> O <sub>8</sub> M lbs	Zn Mt
<b><i>Kvanefjeld - February 2015</i></b>														
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	<b>Total</b>	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	<b>Total</b>	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	<b>Total</b>	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	<b>Total</b>	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	<b>Total</b>	122	14,000	398	12,300	506	12,800	1,195	2,570	1.71	0.06	0.15	107.45	0.31

Multi-Element Resources Classification, Tonnage and Grade

Contained Metal

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

Cut-off (U <sub>3</sub> O <sub>8</sub> ppm) <sup>1</sup>	Classification	M tonnes Mt	TREO <sup>2</sup> ppm	U <sub>3</sub> O <sub>8</sub> ppm	LREO ppm	HREO ppm	REO ppm	Y <sub>2</sub> O <sub>3</sub> ppm	Zn ppm	TREO Mt	HREO Mt	Y <sub>2</sub> O <sub>3</sub> Mt	U <sub>3</sub> O <sub>8</sub> M lbs	Zn Mt
<b><i>Sørensen - March 2012</i></b>														
150	Inferred	242	11,000	304	9,700	398	10,100	895	2,602	<b>2.67</b>	0.10	0.22	<b>162.18</b>	0.63
200	Inferred	186	11,600	344	10,200	399	10,600	932	2,802	<b>2.15</b>	0.07	0.17	<b>141.28</b>	0.52
250	Inferred	148	11,800	375	10,500	407	10,900	961	2,932	<b>1.75</b>	0.06	0.14	<b>122.55</b>	0.43
300	Inferred	119	12,100	400	10,700	414	11,100	983	3,023	<b>1.44</b>	0.05	0.12	<b>105.23</b>	0.36
350	Inferred	92	12,400	422	11,000	422	11,400	1,004	3,080	<b>1.14</b>	0.04	0.09	<b>85.48</b>	0.28
<b><i>Zone 3 - May 2012</i></b>														
150	Inferred	95	11,600	300	10,200	396	10,600	971	2,768	<b>1.11</b>	0.04	0.09	<b>63.00</b>	0.26
200	Inferred	89	11,700	310	10,300	400	10,700	989	2,806	<b>1.03</b>	0.04	0.09	<b>60.00</b>	0.25
250	Inferred	71	11,900	330	10,500	410	10,900	1,026	2,902	<b>0.84</b>	0.03	0.07	<b>51.00</b>	0.20
300	Inferred	47	12,400	358	10,900	433	11,300	1,087	3,008	<b>0.58</b>	0.02	0.05	<b>37.00</b>	0.14
350	Inferred	24	13,000	392	11,400	471	11,900	1,184	3,043	<b>0.31</b>	0.01	0.03	<b>21.00</b>	0.07
<b><i>All Deposits – Grand Total</i></b>														
150	Measured	143	12,100	303	10,700	432	11,100	978	2,370	<b>1.72</b>	0.06	0.14	<b>95.21</b>	0.34
150	Indicated	308	11,100	253	9,800	411	10,200	899	2,290	<b>3.42</b>	0.13	0.28	<b>171.97</b>	0.71
150	Inferred	559	10,700	264	9,400	384	9,800	867	2,463	<b>6.00</b>	0.22	0.49	<b>325.66</b>	1.38
150	<b>Grand Total</b>	<b>1010</b>	<b>11,000</b>	<b>266</b>	<b>9,700</b>	<b>399</b>	<b>10,100</b>	<b>893</b>	<b>2,397</b>	<b>11.14</b>	<b>0.40</b>	<b>0.90</b>	<b>592.84</b>	<b>2.42</b>

<sup>1</sup>There is greater coverage of assays for uranium than other elements owing to historic spectral assays. U<sub>3</sub>O<sub>8</sub> has therefore been used to define the cutoff grades to maximise the confidence in the resource calculations.

<sup>2</sup>Total 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.

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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 stands to be the world's premier specialty metals project. 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. Through 2015, GMEL is focussed on completing a mining license application in order to commence project permitting, in parallel to advancing commercial discussions with development partners. For further information on Greenland Minerals and Energy visit <http://www.ggg.gl> or contact:

**Dr John Mair**  
**Managing Director**  
**+61 8 9382 2322**

**David Tasker**  
**Professional PR**  
**+61 8 9388 0944**

**Christian Olesen**  
**Rostra Communication**  
**+45 3336 0429**

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.

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### **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 12<sup>th</sup>, 2015. The ore reserve estimate was released in a Company Announcement on June 3<sup>rd</sup>, 2015. There have been no material changes to the resource estimate, or ore reserve since the release of these announcements.