



Company Announcement, March 14th, 2017

Kvanefjeld Environmental Impact Assessment Review Process: Status Update

Greenland Minerals and Energy Ltd ('GMEL' or 'the Company') would like to update on the status of the approvals process for the Company's Kvanefjeld Project in Greenland, following the inadvertent release of draft environmental reports to media outlets and non-government organisations.

In October, 2016, media outlets requested copies of various draft Environmental Impact Assessment (EIA) documents held by the Environmental Agency for Mineral Resource Activities (EAMRA) in accordance with the Greenland Act for Access to Public Administration Files. When notified of the request GMEL lodged an objection to the release of EIA documents, which were in draft form prior to the studies being finalised, and before a formal public consultation period had been scheduled.

The Greenland Government subsequently reviewed the matter, and on March 1, 2017, informed GMEL and the media organisations that had requested access, that the draft documents would not be released. The main reason for not releasing draft documents prior to an official public consultation period is that much of the associated material is confidential under the Standard Terms for Mineral Exploration Licenses.

Despite the position of the Greenland Government, media outlets had already disseminated documents which had been made available to them by the EAMRA in October 2016 (but which were to be withheld from publication pending the review process), and have subsequently chosen to provide coverage on the matter in disregard of their confidentiality, as determined by the Greenland Government.

GMEL confirms that it is following due process, and is working through the assessment procedure in accordance with Greenland's laws and regulations. As stated in previous company announcements, the Company is currently working to update studies following detailed reviews by the Greenland Government and their advisory groups in 2016. Substantial progress has already been made in updating the studies, as the review process has been iterative involving a regular and positive dialogue with the relevant government departments.

GMEL is confident in the proposed development strategy for Kvanefjeld, and the rigorous studies that underpin it. The 'Terms of Reference' for the project were approved in 2015, following a public hearing phase, and the production of a 'white paper' that addressed public comment. GMEL is the only company operating in Greenland's resources sector to have conducted a public consultation phase in association with establishing the Terms of Reference. This initiative was conducted to increase public input and awareness.

The Company looks forward to finalising the mining (exploitation) license application documents, and scheduling a public consultation period during which the finalised EIA for the proposed development at Kvanefjeld will be publically available and open to comment by anyone.

-ENDS-