

**GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004**

**NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT**

**For the Annual General Meeting of Shareholders
to be held on 31st May 2017 at 10:30am (WST)
at The Subiaco Arts Centre, Ground Floor, 180 Hamersley Road, Subiaco, Western
Australia**

This is an important document. Please read it carefully.

***If you are unable to attend the Meeting, please complete the form of proxy enclosed
and return it in accordance with the instructions set out on that form.***

TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of Greenland Minerals and Energy Limited will be held at:

**The Subiaco Arts Centre
Ground Floor
180 Hamersley Road
Subiaco, Western Australia, 6008**

**Commencing
at 10:30am (WST)
on 31st May 2017**

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above. The Meeting will commence at 10:30am (WST).

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of General Meeting as soon as possible and either:

- deliver the proxy form to the Company's office at Unit 6, 100 Railway Road, Subiaco, Western Australia, 6008;
- post the proxy form to the Company at PO Box 2006, Subiaco, Western Australia, 6904;
- fax the proxy form to the Company at the number +61 8 9382 2788; or
- email the proxy form to the Company at *voting@ggg.gl*

so that it is received not later than 10:30m (WST) on 29th May 2017.

Your proxy form is enclosed.

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of Greenland Minerals and Energy Limited will be held at The Subiaco Arts Centre, Ground Floor, 180 Hamersley Road, Subiaco, Western Australia on 31st May 2017 at 10:30am.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

AGENDA

GENERAL BUSINESS

ACCOUNTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2016 together with the declaration of the Directors, the Directors' Report, the remuneration report and the auditor's report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report in the Annual Report of the Company for the financial year ended 31 December 2016."

Voting exclusion:

A vote in respect of Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- (b) a closely related party of such a member.

However, the voter may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1; or
- (d) the voter is the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the entity.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – SIMON CATO

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Simon Cato, who retires by rotation in accordance with rule 7.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a director of the Company."

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – WENTING CHEN

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Wenting Chen, being a Director of the Company appointed by the Directors during the year as an additional Director and holding office until this Meeting in accordance with rule 7.3(f) of the Constitution of the Company and, being eligible, offers herself for re-election, is hereby re-elected as a Director of the Company."

RESOLUTION 4 – ISSUE OF PERFORMANCE RIGHTS TO JOHN MAIR

To consider and, if thought fit, the following resolution as an **ordinary resolution**:

"That, for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 6,000,000 Performance Rights under an employee incentive scheme to John Mair or his nominee on the terms set out in the Explanatory Statement accompanying this Notice."

Voting exclusion: The Company will disregard any votes cast on this Resolution by the Directors of the Company and any of their associates. However, the Company will not disregard a vote cast on this Resolution if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the chair of the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Restriction on proxy voting by key management personnel or closely related parties:

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the key management personnel for the Company; or
 - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

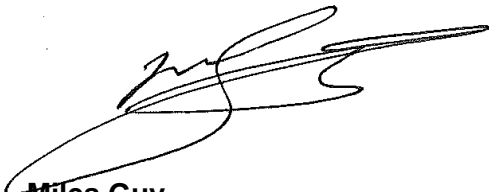
However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the proxy form or it is cast by the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. The chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions, including Resolutions 1 and 4. The proxy form expressly authorises the chair of the Meeting to exercise the proxy in relation to Resolutions 1 and 4 even though this resolution is connected directly or indirectly with the remuneration of a member of key management personnel. Any undirected proxies held by a Director, any member of the key management personnel or any of their closely related parties (who are not the chair) will not be voted on Resolutions 1 and 4.
4. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 29th May 2017 at 5.00pm (WST).
5. A proxy form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form.

By order of the Board



Miles Guy
Company Secretary

Dated: 27 April 2017

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2016 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at <http://www.ggg.gl/docs/annual-reports/31-Dec-2016-Annual-Report.pdf>.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Financial Report for the financial period ended 31 December 2016;
- (b) ask questions and make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit, preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 31 December 2016.

A reasonable opportunity will be provided for questions about or comments on the Remuneration Report at the Annual General Meeting.

2.2 Voting Consequences

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "Spill Resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election.

2.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

2.4 Proxy restrictions

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Proxy Form for Resolution 1.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report (who is not the Chairman) or a closely related party of that member as your proxy, and you do not direct that person on how to vote on this Resolution 1, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution 1.

The Chairman intends to vote all undirected proxies in favour of Resolution 1. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the proxy form you are giving express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 31 December 2016. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR SIMON CATO

Rule 7.3 of the Constitution requires that at each annual general meeting, one-third of directors for the time being (rounded down to the nearest whole number) shall retire from office. Additionally, Listing Rule 14.4 provides that a Director must retire from office no later than the longer of the third annual general meeting of the Company or 3 years following that Director's last election or appointment. The retirement rules do not apply to the managing director.

Mr Simon Cato was last re-elected as a Director on 22 May 2014 at the 2014 annual general meeting. Mr Cato retires by rotation in accordance with the Constitution and the Listing Rules, and being eligible offers himself for re-election as a Director.

Mr Cato is a non-executive director of the Company. Details of the qualifications and experience of Mr Cato is set out in the Company's 2016 Annual Report.

The Board of the Company recommends the re-election of Simon Cato as a Director.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – WENTING CHEN

Rule 7.3(f) of the Company's Constitution provides that any Director appointed by the Board as an additional Director holds office until the next following annual general meeting and is eligible for re-election at that meeting.

Wenting Chen was appointed by the Board as an additional Director on 9 December 2016.

Pursuant to rule 7.3(f) of the Company's Constitution, Wenting Chen holds office until this Meeting and, being eligible, offers herself for re-election as a Director of the Company.

Wenting Chen is a non-executive director of the Company. Details of the qualifications and expertise of Wenting Chen are set out in the 2016 Annual Report.

The Board of the Company recommends the re-election of Wenting Chen as a Director.

5. RESOLUTION 4 – ISSUE OF PERFORMANCE RIGHTS TO JOHN MAIR

5.1 Background

This Resolution seeks Shareholder approval so that the Company may issue Performance Rights as an incentive to John Mair, the Managing Director, under an Employee Incentive Plan adopted by the Board in April 2017.

Shareholder approval is required for the purposes of Chapter 2E of the Corporations Act (section 208) and Listing Rule 10.14 because John Mair as a Director is a related party of the Company.

5.2 Chapter 2E of the Corporations Act - Related Party Transactions

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, John Mair as a Director is a related party of the Company.

The issue of Performance Rights to a related party is a financial benefit requiring shareholder approval in the absence of a specified exception applying.

For the purpose of Chapter 2E of the Corporations Act the following information is provided.

- (a) *The related party to whom the resolutions would permit the financial benefit to be given*

The related party is John Mair or his nominee.

- (b) *The nature of the financial benefit*

The nature of the financial benefit is the issue of Performance Rights.

The terms of the Performance Rights and the service and performance conditions are set out in Schedule 2.

For the issue of the Performance Rights John Mair has agreed to a restriction period for the disposal or transfer of the Performance Rights in accordance with subdivision 83A-C of the *Income Tax Assessment Act 1997 (Cth)*.

(c) *Reasons for giving the benefit and Directors' Recommendation*

The purpose of the issue of the Performance Rights is to incentivise John Mair to continue to provide ongoing dedicated services to the Company and provide remuneration linked to the performance of the Company. The benefit will only be received upon the relevant performance condition being satisfied.

The Performance Rights are also a way of granting an incentive while preserving the Company's cash reserves.

The independent Directors (being all the Directors other than John Mair) consider that the particular number and terms of the Performance Rights to be issued to John Mair constitute an appropriate number to adequately reward and incentivise him in the circumstances in light of his effort, skill and experience and when considered together with his other remuneration as a Director (as detailed below).

The Company considers the issue of the Performance Rights to be reasonable in the circumstances of the stage of the Company's development and the importance of maintaining the Company's cash reserves.

The independent Directors in each case thereby recommend that Shareholders vote in favour of the Resolution.

John Mair abstains from making a recommendation to Shareholders on the Resolution as he has a material personal interest in the outcome as the recipient of the Performance Rights.

(d) *Total remuneration package*

The remuneration received by John Mair is \$350,000 plus 9.5% superannuation.

(e) *Existing relevant interests*

As at the date of this Notice, John Mair has a relevant interest in securities of the Company as follows:

7,989,062 Shares

1,597,813 listed GGOB options (exercise price 8 cents and expiry date of 30 September 2018)

(f) *Dilution*

The passing of this Resolution would have the effect of granting John Mair up to 6,000,000 Performance Rights.

If the Performance Rights vest, Shares will issue which will have the effect of diluting the shareholding of existing Shareholders. If all the 6,000,000 Performance Rights vest so that 6,000,000 Shares are issued, the effect would be to dilute the shareholding of the existing Shareholders by approximately 0.6% based on the total number of Shares on issue at the date of this Notice of 1,004,767,220.

(g) *Trading history*

The following table gives details of the highest, lowest and the latest closing price of the Company's Shares trading on the ASX over the last 12 months.

	Closing Price	Date
Highest Price	19.5 cents	15 February 2017
Lowest Price	2.6 cents	7 June 2016
Latest Price	10.5 cents	12 April 2017

(h) *Service and Performance Conditions for the Performance Rights*

The Performance Rights are subject to both service conditions and performance conditions and are aligned with an increase in Shareholder value.

Set out below are the service and performance conditions for the Performance Rights. The Share price performance condition for the Class A Performance Rights of 18.2 cents is 150% of the 30 day volume weighted average price of Shares until 12 April 2017. The Share price performance condition for the Class B Performance Rights of 24.2 cents is 200% of the 30 day volume weighted average price of Shares until 12 April 2017.

Class of Performance Rights	Number of Performance Rights	Service Condition	Performance condition
Class A Performance Rights	1,200,000	John Mair is engaged as an employee until 31 May 2018 and is still engaged as an employee when the performance condition is satisfied.	(a) Prior to 31 May 2020 the volume weighted average price of the Company's Shares over 10 consecutive trading days on which the Shares trade is 18.2 cents or more; or (b) Prior to 31 May 2020 a Takeover Event occurs.
Class B Performance Rights	4,800,000	John Mair is engaged as an employee until 31 May 2018 and is still engaged as an employee when the performance condition is satisfied.	(a) Prior to 31 May 2020 the Company has been granted a mining licence for the Kvanefjeld project <u>and</u> the volume weighted average price of the Company's Shares over 10 consecutive trading days on

Class of Performance Rights	Number of Performance Rights	Service Condition	Performance condition
			which the Shares trade is 24.2 cents or more; or (b) Prior to 31 May 2010 a Takeover Event occurs.

(i) *Valuation of Performance Rights*

The Company's independent advisers, RSM Australia Pty Ltd, have valued the Performance Rights to be issued to the Directors by reference to the binomial option pricing model.

The following assumptions have been made regarding the inputs required for the option pricing model:

Input	Class A Performance Rights	Class B Performance Rights	Note
Number of Performance Rights	1,200,000	4,800,000	
Underlying share spot price	10.5 cents	10.5 cents	1
Dividend rate	Nil	Nil	2
Risk free rate	1.78%	1.78%	3
Volatility	84%	84%	4
Life of the Performance Rights	3 Years	3 Years	5
Share price hurdle	18.2 cents	24.2 cents	6

Note 1: The underlying share spot price used for the purpose of the valuation is based on the closing Share price of 10.5 cents on 12 April 2017.

Note 2: No dividends are expected to be paid during the life of the Performance Rights.

Note 3: The risk free rate is based on the Commonwealth Government 3 year bond rate at 1.78% at 12 April 2017.

Note 4: The volatility was calculated from the Company's historical trading volatility over 2, 3 and 4 years.

Note 5: The life of the Performance Rights has therefore been assumed to be 3 years expiring on 31 May 2020.

Note 6: The Share price hurdle or performance condition for the Class A Performance Rights represents 150% of the 30 day volume weighted

average price of Shares until 12 April 2017 and for the B Class Performance Rights represents 200% of the 30 day volume weighted average price of Shares until 12 April 2017.

Based on the above assumptions, the Performance Rights have been valued as follows:

Number and Value of Performance Rights	
Class A Performance Rights	Class B Performance Rights
1,200,000 Performance Rights – 8.9 cents each	4,800,000 Performance Rights – 8.0 cents each

(j) *Other information*

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass the Resolution.

5.3 Listing Rule 10.14

Listing Rule 10.11 provides that a company must not issue securities (including Performance Rights) to a director of the company under an employee incentive scheme unless the issue has been approved by shareholders by ordinary resolution. If approval is given by shareholders under Listing Rule 10.14, separate shareholder approval is not required under Listing Rule 10.11.

Approval pursuant to Listing Rule 7.1 is not required in order to issue securities to Directors under this Resolution as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of the securities to John Mair will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

The Company seeks approval from Shareholders for the issue of Performance Rights to John Mair who is a related party of the Company.

For the purposes of Listing Rule 10.15, the following information is provided:

- (a) The Performance Rights will be issued to John Mair as a Director.
- (b) The maximum number of Performance Rights that will be issued to John Mair is 6,000,000 as set out in Schedule 2.
- (c) No monetary consideration is payable for the issue of the Performance Rights and any resultant Shares.
- (d) No securities to date have been issued under the Employee Incentive Plan as the Employee Incentive Plan was adopted by the Board in April 2017.
- (e) All the Directors (being Anthony Ho, John Mair, Simon Cato and Wenting Chen) are entitled to participate in the Plan.
- (f) No loan will be provided to John Mair.
- (g) The Performance Rights will be issued no later than 12 months after the date of Shareholder approval.

5.4 Recommendation

The independent Directors (being all the Directors other than John Mair) consider that the particular number and terms of the Performance Rights to be issued to John Mair constitute an appropriate number to adequately reward and incentivise him in the circumstances in light of his effort, skill and experience and when considered together with his other remuneration as a Director and recommend that Shareholders vote in favour of this Resolution.

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004

GLOSSARY

In the Notice and this Explanatory Statement the following expressions have the following meanings:

"**ASX**" means the ASX Limited (ACN 008 624 691).

"**ASX Listing Rules**" or "**Listing Rules**" means the Listing Rules of the ASX.

"**Board**" means the Board of Directors of the Company.

"**Chairman**" means the chairman of the Company.

"**Company**" or "**GGG**" means Greenland Minerals and Energy Limited (ABN 85 118 463 004).

"**Corporations Act**" means Corporations Act 2001 (Cth).

"**Directors**" mean the directors of the Company from time to time.

"**Employee Incentive Plan**" means the Employee Incentive Plan with the terms summarised in Schedule 1.

"**Explanatory Statement**" means this Explanatory Statement.

"**Meeting**" means the meeting convened by this Notice.

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement.

"**Performance Right**" means the right which entitles the holder to be issued with one fully paid ordinary share for nil consideration, subject to service and performance conditions being satisfied on the terms set out in Schedule 2.

"**Resolution**" means a resolution referred to in the Notice.

"**Share**" means a fully paid ordinary share in the capital of the Company.

"**Shareholder**" means a registered holder of Shares in the Company.

"**Takeover Event**" has the meaning in Schedule 2.

"**WST**" means Western Standard Time, Perth, Western Australia.

"**A\$**" "**AUD**" or "**\$**" means Australian dollars unless otherwise stated.

SCHEDULE 1

SUMMARY OF TERMS OF EMPLOYEE INCENTIVE PLAN

- 1. Purpose** The purpose of the Employee Incentive Plan is to provide an incentive for eligible participants to participate in the future growth of the Company and to offer any of options or performance rights to assist with reward, retention, motivation and recruitment of eligible participants.
- 2. Eligible Participants** Eligible participants are a full or part-time employee, or a director of the Company or a subsidiary, relevant contractors and casual employees and prospective parties in these capacities ("**Eligible Participants**").
- 3. Offers** Subject to any necessary Shareholder approval, the Board may offer options or performance rights to Eligible Participants for nil consideration.
- 4. Expiry Date** The expiry date of any options or performance rights will be determined by the Board.
- 5. Vesting Conditions and Lapse** An option or performance right may only be exercised after it has vested and before its expiry date. The Board may determine the conditions upon the vesting of the options or performance rights at its discretion. By way of example, the Board may impose Share price and/or continuous service vesting hurdles.

An option or performance right lapses upon various events including a vesting condition not being satisfied, a participant ceasing to be an Eligible Participant (except for certain matters such as death or permanent disablement) and upon misconduct by a participant.
- 6. Shares issued on vesting** Each option or performance right entitles the holder to one fully paid ordinary share on exercise or vesting.
- 7. Transferability and quotation** An option or performance right may not be transferred without the prior written approval of the Board or by force of law. Quotation of the options or performance rights on the ASX will not be sought. However, the Company will apply for official quotation of Shares issued on the exercise of the options or vesting of the performance rights.
- 8. No voting or dividend rights** The options or performance rights are personal and do not confer any entitlement to attend or vote at meetings, any entitlement to dividends or any entitlement to participate in any return of capital unless the options or performance rights are vested and the underlying Shares have been issued.
- 9. No participation rights** The options or performance rights do not entitle the holder to participate in the issue of securities unless the options or performance rights are exercised or vested and Shares have been issued before the record date for determining entitlements.
- 10. Limitation on number of** Securities to be issued under the Employee Incentive Plan when aggregated with the number of Shares issued during the previous 5 years under any employee incentive scheme of the Company must not

securities

exceed 5% of the total number of Shares on issue at the time of the relevant offer. Various excluded offers may be disregarded so as to not count for the 5% limit.

11. Administration of the Employee Incentive Plan

The Employee Incentive Plan will be administered under the directions of the Board and the Board may determine procedures for the administration of the Employee Incentive Plan as it considers appropriate.

12. Operation

The operation of the Employee Incentive Plan is subject to the Listing Rules and the Corporations Act.

13. Application of Subdivision 83A-C of the *Income Tax Assessment Act 1997 (Cth)*

Subdivision 83A-C (deferred inclusion of gain in assessable income) of the *Income Tax Assessment Act 1997 (Cth)* applies to the Employee Incentive Plan and holders of securities issued under the Employee Incentive Plan may agree to a restriction period for the disposal or transfer of the securities including any underlying securities.

SCHEDULE 2
TERMS OF PERFORMANCE RIGHTS
(Resolution 4)

The terms of the Performance Rights will be as follows:

Class of Performance Rights	Number of Performance Rights	Service Condition	Performance condition
Class A Performance Rights	1,200,000	John Mair is engaged as an employee until 31 May 2018 and is still engaged as an employee when the performance condition is satisfied.	(a) Prior to 31 May 2020 the volume weighted average price of the Company's Shares over 10 consecutive trading days on which the Shares trade is 18.2 cents or more; or (b) Prior to 31 May 2020 a Takeover Event occurs.
Class B Performance Rights	4,800,000	John Mair is engaged as an employee until 31 May 2018 and is still engaged as an employee when the performance condition is satisfied.	(a) Prior to 31 May 2020 the Company has been granted a mining licence for the Kvanefjeld project <u>and</u> the volume weighted average price of the Company's Shares over 10 consecutive trading days on which the Shares trade is 24.2 cents or more; or (b) Prior to 31 May 2010 a Takeover Event occurs.

For the purposes of the terms of the Performance Rights, "*Takeover Event*" means a takeover bid for the Company pursuant to Chapter 6 of the Corporations Act where at least 50% of the holders of ordinary shares accept the bid and such bid is free of conditions or a court grants an order approving a compromise or scheme where the ordinary shares are either cancelled or transferred to a third party (not being a scheme of arrangement simply for the purposes of a corporate restructure).

The other terms of the Performance Rights will be:

- (a) (Conversion) Upon satisfaction of the relevant performance condition, each Performance Right will, at the election of the holder, vest and convert into one Share.
- (b) (No Consideration payable) No consideration will be payable upon the vesting and conversion of the Performance Rights.
- (c) (No Voting rights) A Performance Right does not entitle a holder to vote on any resolutions proposed at a general meeting of Shareholders of the Company.
- (d) (No dividend rights) A Performance Right does not entitle a holder to any dividends.
- (e) (No rights on winding up) A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (f) (Not transferable) A Performance Right is not transferable.
- (g) (Reorganisation of capital) If there is a reorganisation (including, without limitation, consolidation, sub-division, reduction or return) of the issued capital of the Company, the rights of a holder will be varied, as appropriate, in accordance with the Listing Rules which apply to reorganisation of capital at the time of the reorganisation.
- (h) (Quotation of Shares on conversion) An application will be made by the Company to ASX for official quotation of the Shares issued upon the conversion of each Performance Right within the time period required by the Listing Rules. The Company will not apply for quotation of the Performance Rights on ASX.
- (i) (No participation in entitlements and bonus issues) A Performance Right does not entitle a holder to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (j) (No other rights) A Performance Right does not give a holder any other rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (k) (Lapse) If the performance condition relevant to a Performance Right has not been satisfied by the relevant expiry date, then the Performance Rights will automatically lapse.

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004
PROXY FORM

APPOINTMENT OF PROXY

Greenland Minerals and Energy Limited
ABN 85 118 463 004

I/We

being a Shareholder of Greenland Minerals and Energy Limited entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of Proxy

or failing the person so named or, if no person is named, the chair of the Meeting or the chair's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the Annual General Meeting to be held at The Subiaco Arts Centre, Ground Floor, 180 Hamersley Road, Subiaco, Western Australia on 31st May 2017 at 10:30am (WST) and at any adjournment thereof.

Authority for Chair to vote undirected proxies on remuneration based resolutions (Resolutions 1 and 4)

If you appoint a member of the Company's key management personnel (other than the chair of the Meeting) or a closely related party of a member of the Company's key management personnel as your proxy, and you do not direct your proxy how to vote in respect of Resolutions 1 and 4, your proxy will NOT cast your vote on these Resolutions and your votes will not be counted.

If you appoint the chair of the Meeting as your proxy (or the chair of the Meeting becomes your proxy by default) and you do not direct your proxy how to vote in respect of Resolutions 1 and 4, you hereby expressly authorise the chair of the Meeting to exercise your proxy even though these Resolutions are connected directly or indirectly with the remuneration of the members of the Company's key management personnel.

Chair's voting intention in respect of undirected proxies

The chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the chair may change his/her voting intention on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Simon Cato	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Director – Wenting Chen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Performance Rights to John Mair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is _____%

Please return this Proxy Form to the Company Secretary, Greenland Minerals and Energy Limited by delivery, post, facsimile or email in accordance with the accompanying instructions.

Signed this _____ day of _____ 2017.

By:

Individuals and joint holders

Companies (affix common seal if appropriate)

Signature

Director

Signature

Director/Secretary

Signature

Sole Director and Sole Secretary

GREENLAND MINERALS AND ENERGY LIMITED
ABN 85 118 463 004
Instructions for Completing Appointment of Proxy Form

1. In accordance with section 249L of the Corporations Act, a shareholder of the Company who is entitled to attend and cast two or more votes at a general meeting of shareholders is entitled to appoint two proxies. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 directors of the company;
 - a director and a company secretary of the company; or
 - for a proprietary company that has a sole director who is also the sole company secretary – that director.

For the Company to rely on the assumptions set out in sections 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with sections 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of sections 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual shareholders from attending the Meeting in person if they wish. Where a shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. In accordance with section 250BA of the Corporations Act the Company specifies the following for the purposes of receipt of proxy appointments:

Registered Office: Unit 6, 100 Railway Road, Subiaco, Western Australia
(by delivery)

Postal Address: PO Box 2006, Subiaco, Western Australia 6904

Fax Number: +61 8 9382 2788

Email Address: *voting@ggg.gl*

by no later than 48 hours prior to the time of commencement of the Meeting.