



Company Announcement, October 16th, 2017

Appointment and Resignation of Non-Executive Director

Greenland Minerals and Energy Ltd ('GMEL' or 'the Company') is pleased to announce the appointment of Mr Xiaolei Guo, a representative of Shenghe Resources Holding Limited (Shenghe), to the board of GMEL as a non-executive director.

Mr Guo holds a degree in Law, and is a member of the Bar, in China. He is the manager of the investment and development department of Shenghe, focusing on selecting, evaluation and acquisition of rare earth projects. Mr Guo is also a Shenghe's Assistant General Manager.

Prior to joining Shenghe, Mr Guo was with the global law firm, King & Wood Mallesons, working with clients in Initial Public Offerings (IPOs), Mergers and Acquisitions (M&A), capital market transactions, insolvency and other corporate matters.

Ms Wenting Chen, the previous nominee director of Shenghe on the board of the Company has stepped down from the role due to her other growing commitments.

Tony Ho, Company Chairman commented,

"On behalf of my fellow directors, I welcome Mr Xiaolei Guo to the board and thank Wenting Chen for her valuable contributions during her time on the board. We wish her well in her future endeavours.

Mr. Guo's international capital markets and rare earth industry expertise will be of significant value to the board as we move ahead with the future development of the Kvanefjeld Project".

Background

In November 2016, Shenghe Resources Holding Co. Ltd entered a strategic cooperation agreement with GMEL, and became the Company's largest single shareholder, with the right to appoint a non-executive director to the board. This followed a vote of overwhelming support from GMEL's shareholder base at a General Meeting, held on November 29th, 2016.

Shenghe is internationally focussed, and is one of the world's largest and fastest growing rare earth producers. In early 2017, both companies established a joint technical committee to oversee work programs that aim to optimise the Kvanefjeld project, enhance the cost-structure, and ensure that output is aligned with downstream processing and market requirements. Work programs are being conducted in China, and Australia. Shenghe brings leading rare earth processing technology to the Kvanefjeld Project, which is underpinned by one of the world's largest rare earth resources. GMEL looks forward to providing market updates on the outcomes of optimisation work in early 2018.

Rare earth demand is forecast to grow substantially, owing to the requirement of rare earth magnets in electric vehicles, and wind turbines, in addition to increased demand for RE's through smart phones, catalysts and other growth areas. Many applications that use RE's are tied to government legislation concerning clean, green technologies, and reduced carbon emissions. Compounded annual growth rates for RE demand are forecast to increase notably beyond 2020, which is also a point at which primary Chinese RE production will be capped, and China will likely shift to being a net importer of RE materials. The Kvanefjeld Project is well-positioned to enter the development pipeline at a point of notable change in the structure of global RE supply networks.



Figure 1. Mr Xiaolei Guo, newly appointed non-executive director to GMEL's board, Dr John Mair, GMEL Managing Director, and Mr Guang Yue Tang, Shenghe CEO, during meetings at Shenghe headquarters, Chengdu, China, October, 2017.

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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). 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. An exploitation (mining) license application for the initial development strategy was completed in 2015.

In 2017, GMEL is focussed on working closely with Greenland's regulatory bodies on the processing of the mining license application, and maintaining regular stakeholder updates. The Company has been undertaking technical work programs with strategic partner Shenghe Resources Holding Co Ltd that aim to further enhance the Kvanefjeld Project, and ensure it is aligned with downstream processing. In addition, the Company will look to further value add initiatives including the recovery of additional by-products from the leach solution.

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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.

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