

Advancing Kvanefjeld, the world's premier specialty metals project, toward development

Kvanefjeld is favorably located near the southern tip of Greenland

457 Mt JORC compliant multi-element resource (REE, U, Zn, NaF) with huge upside potential

Pre-Feasibility Study scheduled for completion late 2009

Greenland Minerals and Energy Ltd is an mineral exploration and development company focused on unlocking the mineral riches of southern Greenland. The company is listed on the Australian Securities Exchange.

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Company Announcements

Australian Securities Exchange Limited

ASX Company announcement

Monday, 31 August 2009

Acquisition of 4% Royalty over License 2005/28

The board of Greenland Minerals and Energy Ltd (ASX:GGG) ("GGG" or the "Company") is pleased to announce that it has finalised terms on the acquisition of the 4% royalty applicable to net profits from the production of metals on license 2005/28 in South Greenland. GGG currently holds a legal and beneficial interest of 61% with rights to move to 100% when the Company deems it most appropriate.

The Company is pleased to have been able to secure and finalise this acquisition.

The acquisition will be subject to shareholder approval at an Extraordinary General Meeting to be called in due course.

The consideration will be payable in escrowed shares in the Company. This transaction is a transaction that requires shareholder approval in accordance with listing rule 10.1 of Australian Securities Exchange Ltd and section 611 of the Corporations Act.

On the 15th of May 2009 the Company placed 25m shares at \$0.20c and 5m shares at \$0.25c to fund the acquisition however given the nature of the transaction these funds will instead be used to continue work on the pre-feasibility study on Kvanefjeld which sits within what is now understood to be the Ilimaussaq Mineral Field.

The Company can now focus its attention on the pre-feasibility study and further beneficiation and metallurgical refinement as it continues to optimise its flow sheet.

The company believes the acquisition of this royalty is a key milestone which will assist with any potential funding to facilitate development in the future.



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Greenland Minerals and Energy Ltd is aware of and respects the Greenlandic government stance on uranium exploration and development in Greenland – which is currently a zero tolerance approach to the exploration and exploitation of Uranium.

The company is currently developing the Kvanefjeld Project, recognised as the largest undeveloped multi-element occurrences of rare earth oxides (REO), zinc, and uranium in the world.

Greenland Minerals will continue to develop this world class project in a manner that is in accord with both Greenlandic Government and local community expectations, and in due course looks forward to being part of the community discussion on the social and economic benefits associated with the development of the Kvanefjeld Project.

Kind regards



Roderick McIlree
Managing Director
Greenland Minerals and Energy Ltd (Aust)

Corporate Profile

Greenland Minerals and Energy (ASX – GGG) is an exploration and development company focussed on unlocking the mineral potential of southern Greenland. The company's flagship project is the Kvanefjeld multi-element deposit (Rare Earth Elements, Sodium Fluoride, Uranium), where the company has established one of the largest occurrences of Rare Earth Oxides in the world. Kvanefjeld is now the subject of a pre-feasibility study that is scheduled for completion late in 2009.

For further information on Greenland Minerals and Energy visit <http://www.ggg.gl> or contact:

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