

GREENLAND

MINERALS AND ENERGY LTD

Company Announcement

Tuesday August 3rd, 2010

Greenland Minerals and Energy Ltd (“GMEL” or “the Company”) was made aware on Saturday, 31st July via multiple stories written in the Greenlandic newspaper ‘Sermitsiaq’ of potential political developments that could influence future work programs on the Company’s Kvanefjeld multi-element project.

Whilst the Company does not normally respond to media interpretation, it has taken the proactive step to protect shareholders from market speculation about this sensitive issue and has requested a voluntary suspension pending meetings with the Prime Minister of Greenland, Mr. Kuupic Kleist, the Minister of Mines, Mr Ove Karl Bethelson, and the Head of the Bureau of Mines and Petroleum, Mr Jorn Skov Neilson on the 10th and 11th of August to clarify these claims.

The Company anticipates that the shares will remain suspended until this time, and expects to be in a position to provide clarity on any political developments shortly after these meetings.

GMEL is confident that future work programs to further evaluate the Kvanefjeld project, will proceed as currently anticipated. Meanwhile, the Company would like to thank shareholders for their patience.

Yours faithfully,



Roderick McIlree

Managing Director
Greenland Minerals and Energy Ltd

Greenland Minerals and Energy Limited



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ABOUT GREENLAND MINERALS AND ENERGY LTD.

Greenland Minerals and Energy Ltd (ASX – GGG) is an exploration and development company actively exploring in southern Greenland. The Company’s flagship project is the Kvanefjeld multi-element deposit (Rare Earth Elements, Zinc, Uranium), that is rapidly emerging as the world’s premier specialty metals project. An interim report on pre-feasibility studies has demonstrated the potential for a large-scale mining operation. For further information on Greenland Minerals and Energy visit <http://www.ggg.gl> or contact:

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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. Any potential change toward the current stance of zero tolerance is not expected until after the public consultation and review process is concluded in the coming months.

The Company is currently advancing the Kvanefjeld Project, recognised as the world’s largest undeveloped JORC compliant resource of rare earth oxides (REO), in a multi-element deposit that is inclusive of uranium and zinc.

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

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