

**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 Wednesday, 26 May 2016 at 10:30am (Western Standard Time)  
at the Subiaco Arts Centre, 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:

<b>The Subiaco Arts Centre</b>	<b>Commencing</b>
<b>The Gallery, Ground Floor</b>	<b>at 10:30am (Western Standard Time)</b>
<b>180 Hamersley Road</b>	<b>on 26 May 2016</b>
<b>Subiaco, WA, 6008</b>	

### 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 (Western Standard Time).

#### 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 10:30am (Western Standard Time) on 24 May 2016.

**Your proxy form is enclosed.**

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

**NOTICE OF ANNUAL GENERAL MEETING**

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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, 180 Hamersley Road, Subiaco, Western Australia on 26 May 2016 at 10:30am (Western Standard Time) for the purpose of transacting the following business.

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**

**ACCOUNTS AND REPORTS**

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 31 December 2015.

**RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution** in accordance with section 250R(2) of the Corporations Act:

*"That the Remuneration Report in the 2015 Annual Report of the Company be adopted."*

**Short Explanation:** The Company is required to put a resolution to Shareholders to adopt the remuneration report of the Company at each annual general meeting. This is an advisory resolution only and does not bind the Directors or the Company.

**Voting exclusion:**

A vote in respect of this Resolution 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 this Resolution 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 this Resolution; 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 – TONY HO

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That Tony Ho, 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."*

**Short Explanation:** Mr Tony Ho is presented for re-election in accordance with the rotation requirements of the Constitution.

## RESOLUTION 3 – RATIFY THE ISSUE OF OPTIONS TO CORPORATE ADVISERS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,000,000 Options to corporate advisers or their nominees on the terms set out in the Explanatory Statement."*

**Short Explanation:** The Company has issued 15,000,000 Options to corporate advisers. The Company seeks subsequent approval by Shareholders under Listing Rule 7.4 to refresh its placement capacity.

### **Voting exclusion:**

The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of such a person. However, the Company need 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 person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

## RESOLUTION 4 – APPROVAL OF ADDITIONAL PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, to be issued on the terms set out in the Explanatory Statement."*

**Short Explanation:** The Company seeks approval to issue an additional 10% of the Company's issued ordinary securities during a 12 month period in accordance with Listing Rule 7.1A.

### **Voting exclusion:**

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if the Resolution is passed and any associates of those persons. However, the Company need 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 person chairing 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.

## CONTINGENT RESOLUTION 5 – SPILL RESOLUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, for the purpose of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:*

- (a) the Company to hold another meeting of Shareholders within 90 days of the date of this Meeting (Spill Meeting); and*
- (b) all Vacating Directors to cease to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to offices that will be vacated pursuant to paragraph (b) to be put to vote at the Spill Meeting."*

**Short Explanation:** If more than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report (Resolution 1), this Resolution 5 is required to be put by the Corporations Act.

### **Voting exclusion:**

A vote in respect of this Resolution 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 this Resolution 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 this Resolution; 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.

## 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 except for Resolution 5 where the Chair of the Meeting will be voting against. The proxy form expressly authorises the Chair of the Meeting to exercise the proxy in relation to Resolution 1 (Adoption of Remuneration Report) and Resolution 5 (Spill Resolution) even though these resolutions are connected directly or indirectly with the remuneration of the

members of key management personnel. Any undirected proxies held by any Director, any other of the Company's key management personnel or any of their closely related parties (who are not the chair of the Meeting) will not be voted on Resolutions 1 and 5. 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 Directors Report in the 2015 Annual Report identifies the Company's key management personnel for the financial year to 31 December 2015. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

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 24 May 2016 at 5.00pm (Western Standard Time).
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: 21 April 2016

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

**EXPLANATORY STATEMENT**

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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 2015 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>.

The Chairman will also provide Shareholders a reasonable opportunity to ask the auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the audit report;
- the accounting policies adopted by the Company in relation to the preparation of accounts; and
- the independence of the auditor in relation to the conduct of the audit.

**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 2015.

A reasonable opportunity will be provided for discussion of 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 more than 25%. **Accordingly, the Spill Resolution will be relevant for this Meeting if at least 25% of the votes cast on the Remuneration Report resolution (Resolution 1) are voted against adoption of the Remuneration Report.** Such an against vote will constitute a second strike for the Company. Refer to Resolution 5 and Section 3 for further information.

The Company has taken significant steps in addressing the remuneration issues that arose from the previous year.

## 2.4 Steps to address remuneration issues

Based on an analysis of the votes at the 2015 annual general meeting there were two main sources of the votes against the remuneration report. Firstly, a substantial shareholder, holding approximately 39,000,000 Shares at the time, voted in favour of one resolution and against all other resolutions including the remuneration report. That Shareholder has subsequently ceased to be a substantial shareholder and has reduced its holding to 20,887,624 Shares. Secondly, the Company was advised that proxy advisory firms were recommending institutional investors to vote against the Company's remuneration report. Based on the feedback, it is the Company's understanding that this position was primarily due to an insufficient independence of non-executive directors, based on the criteria for director independence set out in ASX Corporate Governance Principles and Recommendations. The Company announced in the past months the resignation of two non-executive directors.

As part of the Board renewal process, the Company intends to evolve the Board with independent non-executive directors who have experience and skills that are more relevant to the Company's primary focus areas pertaining to project development. With the recent reduction of the Board to 3 directors, the Company will look to fill the Board vacancies with directors who satisfy these criteria.

As a result of a Board and management restructure, there has been a significant reduction in the remuneration payments to directors and senior management in the year ended 31 December 2015 compared to the previous year. In the year ended 31 December 2015 the total remuneration being reported in the remuneration report is \$882,808 compared to \$1,519,332 for cash settled remuneration and \$2,230,662 in total remuneration for the year ended 31 December 2014.

The Company has also carried out an internal review and comparison of current director and senior management remuneration compared to peer companies. The peer companies used for comparison, were exploration companies with a market capitalisation of between \$19 million and \$139 million, a compatible corporate structure and projects in similar stage development. Comparing individual remuneration across the four categories of managing director, chairman, non-executive and senior management, the Company's current remuneration for cash based payments was on average 11.5% less than the average payments of the comparative peer group.



The remuneration policy of the Company is set out in the remuneration report of the Company's 2015 Annual Report.

## 2.5 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 2015. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

## 2.6 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of adopting the 2015 Remuneration Report (Resolution 1).

## 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – TONY HO

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 Ho was last re-elected as a Director on 15 May 2013 at the 2013 annual general meeting. Mr Ho retires by rotation in accordance with the Constitution and the Listing Rules, and being eligible offers himself for re-election as a Director.

Mr Ho is the non-executive Chairman of the Company. Details of the qualifications and experience of Mr Ho is set out in the Company's 2015 Annual Report.

The Board of the Company recommends the re-election of Mr Ho as a Director.

## 4. RESOLUTION 3 – RATIFY THE ISSUE OF OPTIONS TO CORPORATE ADVISERS

### 4.1 Background

On 16 February 2016 the Company issued 15,000,000 Options to corporate advisers or their nominees as consideration for corporate advisory services as referred to in the prospectus dated 2 February 2016.

The issue of the Options is the subject to this Resolution.

### 4.2 Requirements of the Listing Rules

Listing Rule 7.1 provides that, without shareholder approval, during any 12 month period, a company must not issue or agree to issue more equity securities than 15% of the number of fully paid ordinary securities on issue 12 months before the issue date or the agreement to issue, unless an exception applies.

The Company issued the Options the subject of this Resolution within its 15% placement capacity.

Listing Rule 7.4 provides that an issue of securities made without the approval under Listing Rule 7.1 is treated as having been made with approval if the issue of securities did not breach Listing Rule 7.1 (that is, it was within the 15% placement capacity) and shareholders subsequently approve it. The effect of approval under Listing Rule 7.4 is to refresh a company's 15% placement capacity. Listing Rule 7.4 also applies to issues made without approval under Listing Rule 7.1A.

For the purposes of Listing Rule 7.5 the following information is provided to Shareholders in relation to this Resolution.

- (a) The number of securities issued was 15,000,000 Options.
- (b) The Options were issued for nil cash consideration and being in consideration of corporate advisory services.
- (c) The terms of the Options are listed in Schedule 1. The Options have an exercise price of 8 cents and an expiry date of 30 September 2018 and are quoted under the code "GGGOB".
- (d) The Options were issued to corporate advisers or their nominees.
- (e) No funds were raised by the issue of the Options.

## 5. RESOLUTION 4 – APPROVAL OF ADDITIONAL PLACEMENT CAPACITY

### 5.1 General

Listing Rule 7.1 permits entities to issue 15% of its issued capital without shareholder approval in a 12 month period, subject to a number of exceptions.

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution, to issue Equity Securities up to an additional 10% of its issued capital by placements over a 12 month period after the annual general meeting ("**Additional Placement Capacity**").

The Company seeks Shareholder approval under this Resolution to be able to issue Equity Securities under the Additional Placement Capacity. The exact number of Equity Securities to be issued is not fixed and will be determined in accordance the formula prescribed in Listing Rule 7.1A.2 (set out below).

## 5.2 Requirements of Listing Rule 7.1A

### (a) Eligible entities

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

### (b) Shareholder approval

Shareholders must approve the Additional Placement Capacity by special resolution at the annual general meeting. A resolution under Listing Rule 7.1A cannot be put at any other shareholder meeting.

### (c) Equity Securities

Equity Securities issued under the Additional Placement Capacity must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has 3 classes of Equity Securities quoted on ASX being fully paid ordinary Shares, Options with an exercise price of 20 cents and an expiry date of 30 June 2016 (GGGOA) and Options with an exercise price of 8 cents and an expiry date of 30 September 2018 (GGGOB).

### (d) Formula for calculating number of Equity Securities that may be issued under the Additional Placement Capacity

If this Resolution is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A	<p>The number of shares on issue 12 months before the date of issue or agreement:</p> <ul style="list-style-type: none"> <li>• plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;</li> <li>• plus the number of partly paid shares that became fully paid in the 12 months;</li> <li>• plus the number of fully paid shares issued in the 12 months with the approval of shareholders under Listing Rules 7.1 or 7.4;</li> <li>• less the number of fully paid shares cancelled in the 12 months.</li> </ul>
D	10%
E	The number of Equity Securities issued or agreed to be issued under

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	Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4.
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(e) **Interaction between Listing Rules 7.1 and 7.1A**

The Additional Placement Capacity under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company has 787,737,747 Shares on issue as at the date of this Notice. If all of the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- 108,693,009 Equity Securities under Listing Rule 7.1; and
- 78,385,283 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out above).

The effect of this Resolution will be to allow the Company to issue securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

5.3 **Information for Shareholders as required by Listing Rule 7.3A**

(a) **Minimum price**

The issue price of the new Equity Securities will be no lower than 75% of the volume weighted average price (VWAP) for securities in the relevant quoted class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- the date on which the price of the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 5 Trading Days of the date above, the date on which the Equity Securities are issued.

(b) **Risk of economic and voting dilution**

If this Resolution is passed and the Company issues securities under the Additional Placement Capacity, existing Shareholders' voting power in the Company will be diluted.

There is the risk that:

- the market price for the Company's existing Equity Securities may be significantly lower on the date of issue of the new Equity Securities than on the date of the Meeting; and

- the new Equity Securities may be issued at a price that is at a discount to the market price of the Company's existing Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the new Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example a pro rata entitlement issue) or future placements under Listing Rule 7.1 that are approved by Shareholders in the future;
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price at 5 April 2016.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		1.9 cents 50% decrease in Issue Price	3.8 cents Issue Price	7.6 cents 100% increase in Issue Price
<b>Current</b> 787,737,747 Shares	<b>10% Voting Dilution</b>	78,773,775 Shares	78,773,775 Shares	78,773,775 Shares
	<b>Funds raised</b>	\$1,496,702	\$2,993,403	\$5,986,807
<b>50% increase in Variable A</b> 1,181,606,621 Shares	<b>10% Voting Dilution</b>	118,160,662 Shares	118,160,662 Shares	118,160,662 Shares
	<b>Funds raised</b>	\$2,245,053	\$4,490,105	\$8,980,210
<b>100% increase in Variable A</b> 1,575,475,549 Shares	<b>10% Voting Dilution</b>	157,547,549 Shares	157,547,549 Shares	157,547,549 Shares
	<b>Funds raised</b>	\$2,993,403	\$5,986,807	\$11,973,614

This table has been prepared on the following assumptions:

- The total number of Shares on issue at the date of this Notice is 787,737,747.
- The issue price is 3.8 cents, being the latest closing price of the Shares on ASX on 13 April 2016.
- The Company issues the maximum number of Equity Securities available under the Additional Placement Capacity.

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- (iv) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval.
  - (v) No quoted Options (including any quoted Options issued under the Additional Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities.
  - (vi) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
  - (vii) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (viii) The issue of Equity Securities under the Additional Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

The Company's ability to issue securities under Listing Rule 7.1A is in addition to its ability to issue securities under listing rule 7.1.

(c) **Placement Period**

Shareholder approval of the Additional Placement Capacity under Listing Rule 7.1A is valid from 18 May 2016 (the date of this Meeting) and expires on the earlier of:

- 18 May 2017, which is 12 months after this Meeting; or
- the date that Shareholders approve a transaction under Listing Rule 11.1.2 (significant change to nature or scale of activities) or 11.2 (disposal of the main undertaking),

or such longer period as allowed by ASX (the "**Placement Period**").

The Company will only issue and allot new securities during the Placement Period. The approval will cease to be valid in the event that Shareholders' approve a transaction under Listing Rules 11.1.2 or 11.2.

(d) **Purposes for which the new Equity Securities may be issued**

The Company may seek to issue new Equity Securities for the following purposes:

- cash consideration to raise funds for the continued development on the Company's current assets, the acquisition of new assets or investments (including the expenses associated such acquisition) and for general working capital; or
- non-cash consideration for acquisition of new assets, investments or for the payment of goods or services or for the issue of Equity Securities associated with equity, debt or convertible security facilities that may be provided to the Company. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) **Allocation policy**

The Company's allocation policy for the issue of new Equity Securities under the Additional Placement Capacity will depend on the market conditions existing at the time of the proposed issue. The allottees will be determined at the relevant time having regard to factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, a placement or a rights issue;
- the effect of the issue of new securities on the control of the Company;
- the financial situation and solvency of the Company;
- advice from corporate, financial and broking advisers (as relevant).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the Additional Placement Capacity will be a related party or associate of a related party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the Additional Placement Capacity and it is possible that their shareholding will be diluted.

If the Additional Placement Capacity is used to acquire new assets or investments, then it is likely that the allottees will be the vendors of the new assets.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and 3.10.5A on the issue of any new securities.

(f) **Details of Equity Securities issued under earlier placement capacity approval**

The Company has previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A ("**Previous Approval**").

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 months preceding the date of this Meeting, the Company issued a total of 201,796,202 Equity Securities, which represents approximately 29.4% of the total number of Equity Securities on issue at 18 May 2015 (12 months before this Meeting). All of these Equity Securities were issued under an exception in Listing Rule 7.2 or with Shareholder approval.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of this Meeting are set out in Schedule 2.

(g) **Voting exclusion**

At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in a proposed issue of Equity Securities under the proposed Additional Placement Capacity. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

## 6. CONTINGENT RESOLUTION 5 – SPILL RESOLUTION

### 6.1 Possible withdrawal

If less than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, the Chairman will withdraw Resolution 5.

### 6.2 General

The Corporations Act requirements for this Resolution to be put to vote are set out Sections 250V and 250W.

The effect of this Resolution being passed by more than 50% of eligible votes cast in favour, is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting ("**Spill Meeting**") and the Vacating Directors will cease to hold office immediately before the end of the Spill Meeting. These Vacating Directors may stand for re-election at the Spill Meeting.

The business of the Spill Meeting will be to put to the vote resolutions to appoint persons to offices vacated by the Vacating Directors. Following the Spill Meeting, those persons whose election or re-election as Directors is approved will be the Directors of the Company.

In the event a Spill Meeting is required, a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

### 6.3 Proxy voting restrictions

Shareholders appointing a proxy for this this Resolution should note the voting restrictions set out in Section 2.4 apply in the same manner to this Resolution other than the Chairman intends to vote all undirected proxies against Resolution 5.

### 6.4 Recommendation

The Directors unanimously recommend that Shareholders vote **against** Resolution 5.



GLOSSARY

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

"**Additional Placement Capacity**" means the capacity to issue additional Equity Securities by way of placement approved by Shareholders under Listing Rule 7.1A.

"**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.

"**Chair**" or "**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.

"**Equity Securities**" has the same meaning as in the Listing Rules.

"**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.

"**Option**" means an option to subscribe for a Share.

"**Placement Period**" means the period during which Shareholder Approval under Listing Rule 7.1A is valid.

"**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.

"**Trading Days**" has the same meaning as in the Listing Rules.

"**Vacating Directors**" means the Directors who were directors of the Company when the resolution to make the directors' report considered at the last annual general meeting of the Company was passed, other than the Managing Director at the time.

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

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

**SCHEDULE 1**  
**TERMS OF OPTIONS (GGGOB)**  
**(Resolution 3)**

The terms of the Options are:

- (a) Each Option entitles the holder to one Share in the capital of the Company.
- (b) The Options may be exercised at any time prior to 5.00pm WST on 30 September 2018.
- (c) The exercise price of the Options is 8 cents each.
- (d) Application will be made for the Options to be quoted and the Options will be freely tradeable.
- (e) The Company will provide to each Option holder a notice that is to be completed when exercising the Options ("Notice of Exercise"). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Secretary of the Company to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be allotted and the identity of the proposed allottee. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share. The Company will process all relevant documents received at the end of every calendar month.
- (f) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares.
- (g) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised. The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (h) If there is a bonus issue ("Bonus Issue") to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue ("Bonus Shares"). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
- (i) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the Listing Rules.

**SCHEDULE 2**

**ISSUES OF EQUITY SECURITIES SINCE 18 MAY 2015  
(Resolution 4)**

<b>Date of Issue</b>	<b>Number of Equity Securities issued</b>	<b>Class of Equity Securities issued and summary of terms of that class</b>	<b>Names of allottees or basis on which allottees determined</b>	<b>Price at which Equity Securities issued and discount (if any) to market price</b>	<b>Total cash consideration</b>	<b>Amount of cash spent and use of cash and intending use of remaining cash</b>	<b>Non-cash consideration</b>	<b>Current value of non-cash consideration</b>
26 May 2015	(a) 5,679,237	Fully paid ordinary shares	Long State Investment Limited	8.4 cents per Share being a premium to the then market price	\$475,000	\$475,000 spent on mining licence application and general working capital	N/A	N/A
	(b) 298,907	Fully paid ordinary shares	Long State Investment Limited	Deemed issue price of 8.4 cents per share	N/A	N/A	Consideration for commission payable	\$11,358 (at 3.8 cents per Share)
25 June 2015	(a) 7,952,270	Fully paid ordinary shares	Long State Investment Limited	7 cents per Share being a premium to the then market price	\$475,000	\$475,000 spent on mining licence application and general working capital	N/A	N/A
	(b) 1,166,556	Fully paid ordinary shares	Long State Investment Limited	Deemed issue price of 7 cents per share	N/A	N/A	Consideration for commission payable and price adjustment to previous placement	\$44,329 (at 3.8 cents per share)

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Date of Issue	Number of Equity Securities issued	Class of Equity Securities issued and summary of terms of that class	Names of allottees or basis on which allottees determined	Price at which Equity Securities issued and discount (if any) to market price	Total cash consideration	Amount of cash spent and use of cash and intending use of remaining cash	Non-cash consideration	Current value of non-cash consideration
30 July 2015	1,400,000	Fully paid ordinary shares	Settlement of commercial dispute	Deemed issue price of 6.9 cents per Share	N/A	N/A	Consideration to settle a commercial dispute	\$53,200 (at 3.8 cents per Share)
16 September 2015	9,383	Fully paid ordinary shares	Exercise of 20 cents listed Options by option holders	20 cents per Share being a premium to the then market	\$1,877	\$1,877 spent on general working capital	N/A	N/A
14 October 2015	(a) 85,724,822	Fully paid ordinary shares	Subscribers under a rights issue prospectus dated 9 September 2015	3.5 cents – issued at a premium to then market price	\$3,000,369	The \$3,000,369 raised has been spent on mining licence application and general working capital and expenses of the issue	N/A	N/A
	(b) 85,724,822	Options – 8 cents exercise price and 30 September 2018 expiry date	Subscribers under a rights issue prospectus dated 9 September 2015	Free attaching Options	N/A	N/A	Free attaching Options	\$1,114,423 (at 1.3 cents per Option)

Date of Issue	Number of Equity Securities issued	Class of Equity Securities issued and summary of terms of that class	Names of allottees or basis on which allottees determined	Price at which Equity Securities issued and discount (if any) to market price	Total cash consideration	Amount of cash spent and use of cash and intending use of remaining cash	Non-cash consideration	Current value of non-cash consideration
19 October 2015	6,454	Fully paid ordinary shares	Exercise of 20 cent listed Options by option holders	20 cents per Share being a premium to the then market price	\$1,291	\$1,291 spent on general working capital	N/A	N/A
3 November 2015	2,848	Fully paid ordinary shares	Exercise of 8 cent listed Options by option holders	8 cents per Share being a premium to the then market price	\$228	\$228 spent on general working capital	N/A	N/A
16 February 2016	307	Fully paid ordinary shares	Exercise of 20 cent listed Options by option holders	20 cents per Share being a premium to the then market price	\$61	\$61 spent on general working capital	N/A	N/A
16 February 2016	28,462	Fully paid ordinary shares	Exercise of 8 cent listed Options by option holders	8 cents per Share being a premium to the then market price	\$2,277	\$2,277 spent on general working capital	N/A	N/A
16 February 2016	15,000,000	Options – 8 cent exercise price and 30 September 2018 expiry date	Corporate advisors	N/A	N/A	N/A	Consideration for corporate advisory services	\$195,000 (at 1.3 cents per Option)

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

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, 180 Hamersley Road, Subiaco, Western Australia on 26 May 2016 at 10:30am (WST) and at any adjournment thereof.

**Important for Resolutions 1 and 5**

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 5 your proxy will NOT cast your vote on the resolution 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 5 your vote will be cast in favour of Resolution 1 and against Resolution 5, and you hereby expressly authorise the Chair of the Meeting to exercise your proxy even though Resolutions 1 and 5 are connected directly or indirectly with the remuneration of the members of the Company's key management personnel.

**Important Note**

If the Chair of the Meeting is your proxy (or becomes your proxy by default) and you do not mark a voting box for any of the items of business then by signing and returning this Proxy Form you will be expressly authorising the Chair to exercise your proxy in respect of the relevant items. **The Chair of the Meeting intends to vote undirected proxies in favour of each item of business except for Resolution 5 where the Chair of the Meeting will be voting against.** If you appoint the Chair of the Meeting as your proxy you can direct him/her to vote for or against or to abstain from voting on the items by marking the appropriate box below.

**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 – Tony Ho	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratify the issue of Options to corporate advisers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

As stated in the Notice of Meeting, The Directors unanimously recommend that Shareholders vote **against** Resolution 5. Resolution 5 is a contingent resolution and will only be put to the meeting if the condition described in the Notice of Meeting is satisfied.

Resolution 5	Spill Resolution - Contingent resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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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: Unit 6, 100 Railway Road, Subiaco, Western Australia, or by post to: PO Box 2006, Subiaco, Western Australia 6904, or by fax: +61 8 9382 2788, or by email: [voting@ggg.gl](mailto:voting@ggg.gl) by 10:30am 24 May 2016.

Signed this                                  day of                                  2016.

**By:**

**Individuals and joint holders**

Signature

Signature

Signature

**Companies (affix common seal if appropriate)**

Director

Director/Secretary

Sole Director and Sole Secretary

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**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

Fax Number: +61 8 9382 2788

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

Email Address: *voting@ggg.gl*

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

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