Company Announcement: *Tuesday June 7th, 2011*

Retirement of Lars Emil Johansen from the Greenlandic Subsidiary

Greenland Minerals and Energy Ltd ("GMEL" or "the Company") today advises the retirement of Lars Emil Johansen, who for the last two years has served as the Chairman of Greenland Minerals and Energy A/S ("GME A/S"); the Greenlandic subsidiary that is majority owned by Greenland Minerals and Energy Ltd.

Lars Emil joined the group in 2009. When appointed as Chairman Lars Emil stated that a key part of his role was to aid in laying the necessary foundations for the development of Greenland's mineral sector, and specifically the Kvanefjeld multi-element project. Lars Emil has ably guided the Company through a critical period in the evolution of the Kvanefjeld project, and has played an important role in the Company establishing a strong identity in Greenland. Following the government's amendment to the *standard terms for exploration licenses* in Greenland in 2010, the Kvanefjeld project now has a clear framework in which all the necessary work programs can be undertaken in order to apply for an exploitation license. This critical development securely places Kvanefjeld in the feasibility and assessment pipeline, which was ultimately a major objective of Lars Emil.

The retirement of Lars Emil from GME A/S coincides with his retirement from the Danish Parliament and will officially take place at the next general meeting. Roderick McIllree, the Managing Director of GMEL and Vice Chairman of the subsidiary will assume the role of Chairman. GMEL Chairman Michael Hutchinson and director Anthony Ho will also join the GME A/S board. Ole Ramlau-Hansen will retire from the board but continue as managing director of GME A/S.

GMEL Managing Director Roderick McIllree commented:

"From the boards of both the parent and subsidiary and from all of our employees we wish Lars Emil Johansen the all the best for the future. Lars Emil has been critical to our evolution and a guiding light to operating in Greenland. Over the last three years I have learnt a great deal from Lars Emil, and respect his achievements enormously. When Lars Emil started with GME A/S he wanted to ensure that the right foundation was set to recognise the world-class potential of the Kvanefjeld project for the greater good of Greenland. To this agenda he has been a major contributor and I thank him unreservedly for all he has done."

Lars Emil Johansen stated:

"I have been very happy to work with GME A/S as Chairman of the board through the last two years and in this way be able to support trade and business in southern Greenland. GME is doing great work to show that it is possible to exploit the enormous resources in Kvanefjeld to the benefit of Greenland in a safe and decent way. I wish them all my best in their endeavour to reach the position of delivering a formal request for exploitation. I have offered to work for the company as consultant, and in the future it will be from an independent position from the rest of the business of the company."

Yours faithfully,

Roderick McIllree
Managing Director
Greenland Minerals and Energy Ltd

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), that is rapidly emerging as a premier specialty metals project. An interim report on pre-feasibility studies has demonstrated the potential for a large-scale multi-element 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's stance on uranium exploration and development in Greenland – which is currently a zero tolerance approach. However, a new amendment has been introduced to the standard terms for exploration licenses in Greenland that creates a framework for the evaluation of projects that include uranium amongst other economic elements. Within this framework the Company is permitted to fully evaluate the Kvanefjeld project, inclusive of radioactive elements.

The Kvanefjeld Project is recognised as the world's largest undeveloped JORC-compliant resource of rare earth oxides (REO), in a multi-element deposit that is also enriched in 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 continued community discussions on the social and economic benefits associated with the development of the Kvanefjeld Project.

The information in this report that relates to exploration results, geological interpretations, appropriateness of cut-off grades, and reasonable expectation of potential viability of quoted rare earth element, uranium, and zinc resources is based on information compiled by Jeremy Whybrow. Mr Whybrow is a director of the Company and a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whybrow has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Whybrow consents to the reporting of this information in the form and context in which it appears.

The geological model and geostatistical estimation for the Kvanefjeld deposit were prepared by Robin Simpson of SRK Consulting. Mr Simpson is a Member of the Australian Institute of Geoscientists (AIG), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Simpson consents to the reporting of information relating to the geological model and geostatistical estimation in the form and context in which it appears.