

GREENLAND MINERALS AND ENERGY LIMITED
ACN 118 463 004

PROSPECTUS

For the Offer of 1 New Share at an issue price of 3 cents with 1 free New Option with an exercise price of 8 cents and an expiry date of 30 September 2018.

This Prospectus has been prepared for the purposes of section 708(11)(b)(ii) of the Corporations Act to remove any secondary trading restrictions on the sale of securities to be issued by the Company while the offer of the New Share and the New Option is open under this Prospectus.

This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. This Prospectus contains important information about the Offer.

IMPORTANT NOTICE

This Prospectus is dated 2 June 2016 and was lodged with ASIC on that date. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the New Securities the subject of this Prospectus.

The Company is an ASX listed company whose securities are granted official quotation by ASX.

In preparing this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and professional advisers who investors may consult.

No person is authorised to give any information or to make any representations in connection with this Offer that is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Company or its Directors.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. If an applicant is resident in a country other than Australia it should consult its professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. An investment in the New Securities the subject of this Prospectus should be considered highly speculative.

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

CORPORATE DIRECTORY

DIRECTORS

Mr Anthony Ho (Non-Executive Chairman)
Dr John Mair (Managing Director)
Mr Simon Cato (Non-Executive Director)

SOLICITORS

Fairweather Corporate Lawyers
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COMPANY SECRETARY

Mr Miles Guy

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* Advanced Share Registry Services has not been involved in the preparation of this Prospectus and has not consented to being named in the Prospectus. Its name is included for information purposes only.

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1. INVESTMENT OVERVIEW

Question	Response	Where to find more information
What is the Offer?	The Company is offering to issue 1 New Share at 3 cents and 1 free New Option.	Sections 2.1 and 4.1
What are the terms of the New Option offered?	The New Option offered will have an exercise price of 8 cents and an expiry date of 30 September 2018. The full terms of the New Option offered is set out in Section 5.2. The New Option offered is in the same class as the existing listed Options with the code "GGGOB".	Section 5.2
Who should apply?	The Company will invite an investor to apply. You should not apply for the New Securities unless you are invited to do so.	Sections 2.1, 4.1 and 4.2
What is the purpose of the Offer?	During the period in which this Offer is open, the Company will issue each of the Placement Securities (being a minimum of 66,666,666 and up to 83,000,000 Shares and a minimum of 66,666,666 and up to 83,000,000 New Options) to the Placement Investors to raise a minimum of \$2,000,000 and up to \$2,490,000 before costs and the Corporate Adviser Securities (5,000,000 Shares and 5,000,000 New Options) to the Corporate Advisers for no cash sum in lieu of capital raising fees. Each of the Placement Securities and the Corporate Adviser Securities will be issued without a prospectus as the Placement Investors and the Corporate Advisers are exempt from the disclosure requirements under Chapter 6D of the Corporations Act. None of the Placement Investors or the Corporate Advisers are related parties of the Company. The commitment to raise moneys and issue the Placement Securities was announced on 1 June 2016. The Corporations Act restricts the trading of securities that are issued without a prospectus or otherwise where section 708A of the Corporations Act is not complied with. The purpose of the Offer is to allow the Placement Investors and the Corporate Advisers that will be respectively issued with the Placement Securities and the Corporate Adviser Securities, to be able to sell these Securities without secondary trading sale restrictions.	Section 2.1
What is the effect of the Offer?	The effect of the Offer is to remove the secondary trading sale restrictions on the Placement Securities and the Corporate Adviser Securities. The Offer will further increase the number of Securities on issue by 1 New Share and 1 New Option and decrease the	Section 2.2

Question	Response	Where to find more information
	cash reserves of the Company by approximately \$20,000 (being the estimated expenses of the Offer).	
What are the key risks associated with an investment in the Company?	Some of the key risks associated with an investment in the Company are set out below. The Applicant for the New Securities should consider these risks and the risks set out in Section 3 when considering whether to apply for the New Securities being offered. Some of the key specific risks are: • Development risk – The Company's current focus is on the documentation of the environmental and social impact assessments upon the Kvanefjeld project so as to supplement the feasibility study and complete material for a mining licence application. Ultimately the Company seeks to develop a mining operation at the Kvanefjeld project. There is no guarantee of achievement of milestones to successfully develop the Kvanefjeld project including the grant of a mining (exploitation) licence, the economic recoverability of ore bodies and funding of a mining operation. • Funding a mining operation and strategic partnerships – financing, constructing and operating any mining operation will be a significant cost. The Company is looking to progress relationships with funding and strategic development partners. No assurance can be given that future funding will be available to the Company on favourable terms or at all or that a suitable agreement can be reached with a strategic partner which would prejudice the development of the Kvanefjeld project. To date, the Company has entered into a memorandum of understanding with China Non-Ferrous Metal Industry Foreign Engineering and Construction Co. (NFC) which is a non-binding framework agreement. • Regulatory/Political risk – The issue of a mining (exploitation) licence (needed to mine) for the Kvanefjeld project is a matter of Greenland Government discretion. There can be no guarantee that the Greenland Government will issue a mining licence. • Commodity prices – The Company is aiming to produce a critical rare earth concentrate and by-products consisting of, uranium oxide, lanthanum, cerium, zinc and fluorspar from the Kvanefjeld project. Adverse fluctuations in prices of these products may detrimentally affect any earnings of the Company and the terms of any offtake agreement it may enter into. • Reliance on key personnel - The Company's success largely depends on the core competencies of its Directors and management and their familiarisation with, and ability to operate in, the resource industry and the Company's ability to retain its key executives.	Section 3

Question	Response	Where to find more information
What are the key dates of the Offer?	Prospectus lodged with ASIC	2 June 2016
	Opening Date	2 June 2016
	Closing Date	9 June 2016
	Despatch of holding statement	10 June 2016
	Please note that these dates are subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules to amend the timetable at any time, and in particular, to extend the Closing Date.	

2. PURPOSE AND EFFECT OF THE OFFER

2.1 Purpose of Offer

During the period in which the Offer is open, the Company will issue each of the Placement Securities (up to 83,000,000 Shares and 83,000,000 New Options) to the Placement Investors to raise up to \$2,490,000 before costs and the Corporate Adviser Securities (5,000,000 Shares and 5,000,000 New Options) to the Corporate Advisers for no cash sum.

The Shares to be issued to the Placement Investors and the Corporate Advisers and the Shares offered under this Prospectus are fully paid ordinary shares and are in the same class of securities (being Shares) that are quoted securities of the Company.

The New Options to be issued to the Placement Investors and the Corporate Advisers and the New Option offered under this Prospectus are in the same class of securities that are quoted securities of the Company as the Company has existing New Options on issue that are quoted under the code "GGGOB". New Options have an exercise price of 8 cents and an expiry date of 30 September 2018. The full terms of the New Options are set out in Section 5.2.

Each of the Placement Securities and the Corporate Adviser Securities will be issued without a prospectus as the Placement Investors and the Corporate Advisers are exempt from the disclosure requirements under Chapter 6D of the Corporations Act. None of the Placement Investors or the Corporate Advisers are related parties of the Company.

The commitment to raise moneys and issue the Placement Securities was announced on 1 June 2016.

This Prospectus has been prepared for the purpose of section 708A(11)(b)(ii) of the Corporations Act to remove any secondary sales restrictions on the sale of the Placement Securities and the Corporate Adviser Securities. Section 708A(11)(b)(ii) of the Corporations Act removes secondary sale restrictions where relevant securities (that are in a class of securities that are quoted securities of a body) are issued while an offer of the same class of quoted securities is open under a prospectus.

Under the Offer, the Company will invite an investor to subscribe for 1 New Share at 3 cents and 1 free New Option, which New Share and New Option will be in the same class as the Shares and New Options to be issued to the Placement Investors and the Corporate Advisers. Both the Shares and the New Options to be issued to the Placement Investors and the Corporate Advisers are in the same class as existing listed Shares (quoted under the code "GGG") and existing listed New Options (quoted under the code "GGGOB"). The Company will only receive a nominal amount of 3 cents under this Prospectus and therefore raising funds is not a purpose of the Offer.

2.2 Effect of the Offer

The effect of the Offer will be to remove the secondary trading sale restrictions on the Placement Securities and the Corporate Adviser Securities to be issued.

The Offer will further:

- (a) Increase the number of Shares on issue by 1 New Share;
- (b) increase the number of Options on issue by 1 New Option; and

- (c) decrease the cash reserves of the Company by approximately \$20,000, being the estimated costs of the Offer.

2.3 Capital Structure

The capital structure of the Company after the issue of the 1 New Share and 1 New Option under this Prospectus and the issue of the Placement Securities (on the basis of a minimum capital raising of \$2,000,000) and the Corporate Adviser Securities is set out below.

	Number
SHARES	
Existing Shares	787,737,747
Placement Shares (part of Placement Securities)	66,666,666 ¹
Corporate Adviser Shares (part of Corporate Adviser Securities)	5,000,000
New Shares to be issued under this Prospectus	1
Total	859,404,414²
OPTIONS	
Options – exercise price 20 cents expiry date 30 June 2016 (quoted - GGGOA)	105,657,865
Options – exercise price 20 cents expiry date 24 February 2018 (unquoted)	7,500,000
Options – exercise price 25 cents expiry date 24 February 2018 (unquoted)	7,500,000
New Options – exercise price 8 cents expiry date 30 September 2018 (quoted – GGGOB)	100,693,512
Placement Options (part of Placement Securities) – New Options	66,666,666 ¹
Corporate Adviser Options (part of Corporate Adviser Securities) – New Options	5,000,000
New Option to be issued under this Prospectus (quoted)	1
Total	293,018,044²

Notes:

1. The number of Shares and New Options to be issued (being Placement Securities) may increase if more than \$2,000,000 is raised under the placement. Up to a further \$490,000 may be raised under the placement resulting in up to a further 16,333,334 Shares and 16,333,334 New Options being issued.
2. In addition to the Shares and Options on issue, the Company has 9,685,500 performance rights that have been issued to staff. These performance rights have been issued in 3 equal tranches and require the volume average price of Shares for 5 consecutive trading days to be greater than or equal to 50 cents, 75 cents and \$1.00 respectively before 30 September 2016, at which time they lapse.
3. This table assumes that no Options are exercised before the Closing Date.

2.4 Effect on Financial Position

The issue of 1 New Share and 1 New Option under this Prospectus will not have a material

impact on the Company's financial position. For this reason a pro-forma statement of financial position of the Company showing the financial effect of the Offer has not been included in this Prospectus.

2.5 No Effect on Control

The issue of 1 New Share and 1 New Option will have no effect on control of the Company.

3. RISK FACTORS

3.1 Introduction

The Applicant for the New Securities should be aware that an investment in the Company is highly speculative as the Company is an exploration and development company which 100% owns the Kvanefjeld project in southern Greenland. The Company's current focus is on finalising the environmental and social impact assessments upon the Kvanefjeld project so as to supplement the feasibility study and complete material for a mining licence application.

There are a number of factors that may have a material impact on our future operating and financial performance. The key material risks are described below.

The Applicant should carefully consider the risks described below, the information contained in other sections of this Prospectus, and all other relevant material including our public announcements and reports.

The specific risks below are some of the risks specific to the Company including by reason of its involvement in the resource industry and the Kvanefjeld Project being located in Greenland. The general investment risks below are some of the risks to the Company of a general economic nature.

3.2 Specific Risks

Exploration and Development

Investors should understand that resource exploration and development is by its nature a high risk undertaking.

Ultimately the Company seeks to develop a mining operation at the Kvanefjeld project. There is no guarantee of achievement of milestones to successfully develop the Kvanefjeld project including the grant of a mining (exploitation) licence, the economic recoverability of ore bodies and funding of a mining operation.

Future capital needs and additional funding

Financing, constructing and operating any mining operation will be a significant cost and beyond any funds raised under this Offer. The Company is looking to progress relationships with funding and strategic development partners. No assurance can be given that future funding will be available to the Company on favourable terms or at all or that a suitable agreement can be reached with a strategic partner which would prejudice the development of the Kvanefjeld project. Any such future funding may take the form of equity or debt or a combination of equity and debt. To date, the Company has entered into a memorandum of understanding with NFC, which is a non-binding framework agreement (see ASX announcement of 7 April 2015).

Mining

Possible future development of a mining operation at the Kvanefjeld Project is dependent on a number of factors. Some of the factors limiting or preventing development and operations include, but are not limited to, failing to receive the necessary approvals from all relevant authorities and parties including necessary environmental approvals, unseasonal weather patterns, construction of any necessary production facilities, unanticipated

technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, unexpected shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, risk of access to the required level of funding and contracting risk from third parties providing essential services.

In the event that the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations and extended interruptions due to inclement or hazardous weather conditions.

Licensing and Government Regulations

In October 2013 Greenland's parliament voted in favour of removing a long-standing zero-tolerance policy against the exploitation of radioactive materials. There can be no guarantee that future political restrictions on exploitation of radioactive materials will not be implemented.

The issue of a mining (exploitation) licence (needed to mine) for the Kvanefjeld project is a matter of Greenland Government discretion. The Greenland Government will need to be satisfied as to social and environmental considerations. There can be no guarantee that the Greenland Government will issue a mining licence.

In the event of production involving uranium, the regulatory burden at different levels of the industry increases the cost of doing business.

Commodity prices

The Company is aiming to produce a critical rare earth concentrate, with by-production of uranium oxide, lanthanum, cerium, zinc concentrate and fluorspar from the Kvanefjeld project. Adverse fluctuations in prices of these products may detrimentally affect any earnings of the Company and the terms of any offtake agreement it may enter into.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for specific commodities, commodity trading on the futures markets, general world economic conditions and the outlook of interest rates, inflation and other economic factors on both a regional and global basis.

Reliance on Key Personnel and Contractors

The Company's success largely depends on the core competencies of its Directors and management and their familiarisation with, and ability to operate in, the metals and mining industry and the Company's ability to retain its key executives.

Additionally, the Company relies on third party contractors to provide logistics and services for the exploration and development field work upon the Kvanefjeld Project.

Resource Estimates

Resources estimates are expressions of judgment based on knowledge, experience and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made.

Additionally, resource estimates may change over time as new information becomes available. Should the Company encounter mineralisation or geological formations different from those predicted by past drilling, sampling and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

Environmental

The Company's operations are subject to the environmental risks inherent in the mineral exploration and production industries. This includes the Greenland Government being satisfied as to environmental considerations prior to the issue of a mining licence upon the Kvanefjeld project. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's costs of doing business or affect its operations in any area.

Currency

The Company's future revenue so far as concerns its operations in Greenland may be in US dollars whilst its costs will be payable in Danish Kroner, Australian dollars and Euros. The exchange rates between the various currencies are affected by numerous factors beyond the control of the Company. These factors include economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

Title

The Company considers the relevant Greenland exploration licences are valid, in force and enforceable in accordance with their terms. The licences are subject to a number of legislative conditions which if not met would affect the standing of the licences and their ability to be renewed.

Sovereign Risk

The Kvanefjeld Project is located in Greenland. Greenland is an autonomous country within the Kingdom of Denmark.

The political conditions in Greenland and Denmark are generally stable, however, changes in exchange rates, control or fiscal regulations and regulatory regimes, labour unrest, inflation or economic recession could adversely affect the Company's business.

Insurance

The Company, where economically feasible, insures its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance (if obtained) may not be of a nature or level to provide adequate insurance cover. The occurrence of an

event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and development is not always available and where available the costs can be prohibitive.

3.3 General Risks

Securities Investments and Share Market Conditions

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for exploration and mining companies may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of such companies. These factors may materially adversely affect the market price of the securities of the Company regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company, or any return of an investment in the Company.

Economic Risk

Changes in both the world and Greenland economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

Legislative

Changes in relevant taxes, legal and administration regimes, accounting practice and government policies in either Greenland or Australia may adversely affect the financial performance of the Company.

4. DETAILS OF THE OFFER

4.1 The Offer

By this Prospectus the Company offers for subscription 1 New Share at 3 cents and 1 free New Option. The New Share offered under this Prospectus will rank equally with existing Shares on issue. The New Option offered under this Prospectus will rank equally with other New Options which are quoted under the code "GGGOB". An Applicant should only apply at the invitation of Directors.

The successful Applicant will be issued with the New Securities offered under this Prospectus. The Offer is not underwritten. There is no sponsoring broker. No broker or financial services licensee will be paid any fee in relation to this Offer.

The details of how to apply for the New Securities are set out below.

4.2 Application for New Securities

An application for the New Securities may only be made by an investor at the direction of the Company and must be made using an Application Form.

A completed Application Form and accompanying cheque must be mailed or delivered to the Company as follows:

Post:

Greenland Minerals and Energy Limited
PO Box 2006
Subiaco WA 6904

Delivery:

Greenland Minerals and Energy Limited
Ground Floor, Unit 6
100 Railway Road
Subiaco WA 6008

A cheque should be made payable to "Greenland Minerals and Energy Limited Offer Account" and crossed "Not Negotiable". A completed Application Form must reach the Company by no later than the Closing Date.

4.3 Minimum Subscription

The minimum subscription under the Offer is 3 cents (being 1 New Share at 3 cents). The Company will not issue the New Securities pursuant to this Prospectus until the minimum subscription is satisfied.

4.4 Allocation and Allotment

Allotment of the New Securities will take place as soon as practicable after the Closing Date. The Directors will determine the allottee of the New Securities and reserve the right to reject any Application.

4.5 Opening Date and Closing Date of the Offer

The Opening Date is 2 June 2016 and the Closing Date is estimated to be 5.00pm WST on 9 June 2016. The Directors reserve the right to extend the Closing Date and the Offer or close the Offer early without notice.

4.6 Official Quotation by ASX

Application for official quotation by ASX of the New Securities to be issued by this Prospectus will be made within 7 days after the date of this Prospectus. If the New Securities to be issued by this Prospectus are not admitted to official quotation by ASX before the expiration of 3 months after the date of the Prospectus, or such period as is varied by ASIC, the Company will not issue the New Securities and will repay all application money within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the New Securities to be issued pursuant to this Prospectus is not to be taken in any way as an indication of the merits of the Company or the New Securities offered for subscription.

4.7 ASX Listed Company

The Company is included in the official list of ASX and the Listing Rules apply to securities issued by the Company.

4.8 Applicants Outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. No action has been taken to register or qualify the New Securities or otherwise permit a public offering of the New Securities the subject of this Prospectus in any jurisdiction outside Australia. It is intended that the Applicant invited to apply will be resident in Australia.

It is the responsibility of any Applicant outside Australia to obtain all necessary approvals for the allotment and issue of the New Securities under this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

4.9 CHESS

The Company participates in the Clearing House Electronic Subregister System (CHESS). CHESS is operated by ASX Settlement Pty Ltd (ASPL), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, Shareholders receive a statement of their holdings in the Company. If an investor is broker sponsored, ASPL will send a CHESS statement.

4.10 Rights Attaching to New Securities

A summary of the terms of the New Share and New Option and the rights attaching to Shares is set out in Section 5.

5. RIGHTS ATTACHING TO NEW SECURITIES

5.1 Rights attaching to New Share

Full details of the rights and liabilities attaching to the New Share are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights attaching to Shares (including the New Share). This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. The person who holds a share which is not fully paid shall be entitled to a fraction of a vote equal to that proportion of a vote that the amount paid or credited (excluding amounts paid in advance) on the relevant share bears to the total amounts paid and payable (including amounts credited) on that share. Voting may be in person or by proxy, attorney or representative.

Dividends

Subject to the rights of holders of shares issued with any special rights (at present there are none), the profits of the Company which the Board may from time to time determine to distribute by way of dividend are divisible to each share of a class on which the Board resolves to pay a dividend in proportion to the amount for the time being paid on a share (including amounts credited) bears to the total amount paid or payable (including amounts credited) on that share. All shares currently on issue and the shares to be issued under this Prospectus are fully paid shares.

Future Issues of Securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

Transfer of Shares

A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by the Board.

Meetings and Notices

Each shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules. Shareholders may requisition meetings in accordance with the Corporations Act.

Election of Directors

There must be a minimum of three Directors. At every annual general meeting one third of the Directors (rounded down to the nearest whole number) must retire from office together with any Director who would have held office for more than three years since that Director's election or last election. These retirement rules do not apply to certain appointments including the managing director.

Amendment of Constitution

The Constitution of the Company can only be amended by a special resolution, passed by at least three quarters of the votes cast by holders of Shares entitled to vote on the resolution, at general meeting. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

Predominance of Listing Rules

While the Company is admitted to trading on the Official List, then despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

5.2 Terms of New Option

The terms of the issue of the New Option 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.

6. ADDITIONAL INFORMATION

6.1 Board and Management

The Board currently consists of:

- Mr Anthony Ho (Non-Executive Chairman)
- Dr John Mair (Managing Director)
- Mr Simon Cato (Non-Executive Director)

Messrs Mair and Cato as current or former executive directors are not considered independent directors. Mr Ho is an independent director.

6.2 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last two years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid by any person and no benefits have been given or agreed to be given by any person:

- (d) to a Director or proposed Director to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director in connection with the formation or promotion of the Company or the Offer.

Holdings of Directors

Director' relevant interests in securities of the Company at the date of the Prospectus are:

Director	Shares	Options ¹ (GGGOA)	New Options ² (GGGOB)
Anthony Ho	2,487,500	450,000	337,500
John Mair	7,989,062	500,000	1,597,813
Simon Cato	5,843,984	100,000	981,786

1. The Options have an exercise price of 20 cents and an expiry date of 30 June 2016 and are quoted under the code "GGGOA".
2. The Options have an exercise price of 8 cents and an expiry date of 30 September 2018 and are quoted under the code "GGGOB".

Remuneration of Directors

Mr Anthony Ho is paid \$100,000 per annum as a director's fee as a non-executive chairman. In the two years prior to the date of this Prospectus Mr Ho has received a total remuneration, including consulting fees of \$188,288.

Dr John Mair is paid \$350,000 per annum as managing director. In the two years prior to the date of this Prospectus Dr Mair has received a total remuneration of \$658,333.

Mr Simon Cato is paid \$50,000 per annum as a non-executive director. In the two years prior to the date of this Prospectus Mr Cato has received a total remuneration of \$105,296.

Directors are entitled to be paid reasonable expenses incurred by them on business of the Company.

The Directors are not required to hold any Shares in the Company under the Constitution.

6.3 Interests of Experts and Advisors

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the two year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, securities or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

Fairweather Corporate Lawyers has acted as solicitors to the Company in relation to the Offer. In respect of this work, the Company will pay approximately \$4,000 exclusive of GST and disbursements. Fairweather Corporate Lawyers has or will be paid fees of approximately \$147,160 exclusive of GST in the 2 years prior to the date of this Prospectus.

6.4 Expenses of the Offer

The total expenses connected with the Offer including legal fees, ASX and ASIC fees and other miscellaneous expenses will be approximately \$20,000.

6.5 Consents

The following party has given its written consent to be named in this Prospectus and for the inclusion of statements made by that party (as described below in the form and context in which they are included), and has not withdrawn such consent before lodgement of this Prospectus with ASIC.

FW Legal Pty Ltd trading as Fairweather Corporate Lawyers has consented to being named as the Solicitors to the Offer.

The party referred to above in this Section:

- does not make, or purport to make any statement in this Prospectus, or on which a statement made in this Prospectus is based other than as specified in this Section;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus or any omissions from this Prospectus other than a reference to its name and a statement included in the Prospectus with the consent of that party as specified in this Section; and
- has not caused or authorised the issue of this Prospectus.

6.6 Share and New Option Trading History

The Company is a disclosing entity for the purposes of the Corporations Act and its securities are enhanced disclosure securities quoted on ASX.

Shares

The highest and lowest market price of the Company's quoted Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales and the last sale on the day prior to lodgement of this Prospectus with ASIC are:

	Price	Date
Highest	4 cents	13 April 2016
Lowest	2.1 cents	30 March 2016
Latest	2.9 cents	1 June 2016

New Options

The highest and lowest market price of the New Options on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales and the last sale prior to lodgement of this Prospectus with ASIC are:

	Price	Date
Highest	1.2 cents	26 April 2016
Lowest	0.5 cents	31 March 2016
Latest	0.8 cents	19 May 2016

6.7 Transaction Specific Prospectus and Continuous Disclosure Obligations

The Company is a disclosing entity under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

In general terms "transaction specific prospectuses" are required to contain information in relation to the effect of the offer on the Company and the rights and liabilities attaching to the securities offered. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company on the basis that, as at the date of this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with ASIC;
 - (ii) any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC; and
 - (iii) any continuous disclosure notices given by the Company after the lodgement of the annual financial report and before the lodgement of the copy of the Prospectus with ASIC.

The Company lodged its latest annual financial report with ASX on 30 March 2016. The following documents have been lodged with ASX since the date of lodgement of the Company's latest annual financial report:

Date	Description of Announcement
30/03/2016	Appendix 4G and Corporate Governance Statement
05/04/2016	Director Appointment/Resignation
05/04/2016	Final Director's Interest Notice
06/04/2016	Kvanefjeld Feasibility Study Update
21/04/2016	Notice of General Meeting/Proxy Form
29/04/2016	Quarterly Activities Report
29/04/2016	Quarterly Cashflow Report
20/05/2016	Company Participates in Arctic Circle Forum
24/05/2016	Confirmation of Date and Time of Annual General Meeting
25/05/2016	Trading Halt
26/05/2016	Results of Annual General Meeting
27/05/2016	Suspension from official quotation
31/05/2016	Option Expiry Notice Waiver
01/06/2016	Annual General Meeting and Investor Presentation
01/06/2016	\$2M Capital Raising to Fund Kvanefjeld Project Permitting
01/06/2016	Reinstatement to Official quotation

7. DIRECTORS' AUTHORISATION AND CONSENT

This Prospectus is authorised by the Company and lodged with the ASIC pursuant to section 718 of the Corporations Act.

Each Director has consented to lodgement of this Prospectus with ASIC in accordance with the terms of section 720 of the Corporations Act and has not withdrawn that consent.

Dated: 2 June 2016

A handwritten signature in black ink, appearing to read 'John Mair', is written over a dotted line.

.....
Signed for and on behalf of Greenland Minerals and Energy Limited
By Dr John Mair
Managing Director

8. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

Applicant	a person(s) who submits a valid Application Form pursuant to this Prospectus.
Application	a valid application made on an Application Form to subscribe for New Securities pursuant to this Prospectus.
Application Form	the application form attached to this Prospectus.
ASIC	the Australian Securities and Investments Commission.
ASX	the ASX Limited (ACN 008 624 691).
Board	the Board of Directors.
Closing Date	the closing date for receipt of Application Forms under this Prospectus, estimated to be 5.00pm WST on 9 June 2016 or an amended time as set by the Board.
Company or Greenland Minerals	Greenland Minerals and Energy Limited (ACN 118 463 004).
Constitution	the constitution of the Company.
Corporate Advisers	RM Capital Pty Ltd (AFSL 221938) and CPS Capital Group Pty Ltd (AFSL 294848) or their nominees.
Corporate Adviser Securities	the issue of 5,000,000 Shares and 5,000,000 New Options.
Corporations Act	the Corporations Act 2001 (Cth).
Director	a director of the Company.
Listing Rules	the official listing rules of the ASX.
New Option	an Option with an exercise price of 8 cents and an expiry date of 30 September 2018 on the terms set out in Section 5.2.
New Securities	the 1 New Share and 1 New Option subscribed for under this Prospectus.
New Share	a Share subscribed for under this Prospectus.
Offer	an invitation made in this Prospectus to subscribe for Securities.
Official List	the official list of ASX.
Opening Date	2 June 2016.
Option	an option to subscribe for a Share.

Placement Investors	investors who are either sophisticated, professional or other investors who are exempt from the disclosure requirements under Chapter 6D of the Corporations Act.
Placement Securities	being a minimum of 66,666,666 and up to 83,000,000 Shares and a minimum of 66,666,666 and up to 83,000,000 New Options.
Prospectus	this Prospectus.
Securities	Shares and Options.
Share	a fully paid ordinary share in the Company.
Shareholder	a person who holds one or more Shares.
WST	Western Standard Time, Perth, Western Australia.
\$ or Dollars	Australian dollars unless otherwise stated.

APPLICATION FORM

Only complete this Application Form if you are directed to do so by the Company.

This Application Form relates to the issue of 1 New Share at an issue price of 3 cents per New Share and 1 free New Option in Greenland Minerals and Energy Limited pursuant to a Prospectus dated 2 June 2016. The New Option will be on the terms set out in the Prospectus.

The expiry date of the Prospectus is the date which is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the New Securities and it is advisable to read this document before applying for the New Securities. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable).

We the undersigned (the "Applicant") hereby apply to the Company for:

Number of New Shares applied for (1 only):

(The successful Applicant will be issued with 1 New Option).

Broker Stamp

Application moneys at 3 cents per New Share: \$

Title	Given Names/Company Name	Surname/ACN
.....		

Joint applicants or account designation

Postal Address

City/Town State Postcode

Contact Name Daytime Contact No.

Email contact

CHESS Details: PID HIN

Tax File No/Exemption Category

Applicant 1

Applicant 2

Applicant 3

Payment Details

Drawer

Bank

Branch

Amount

..... \$

..... \$

DECLARATION

By lodging this Application Form and a cheque for the Application money the Applicant hereby:

- a) applies for the number of New Securities specified in the Application Form or such lesser number as may be allocated by the Directors;
- b) agrees to be bound by the Constitution of the Company; and
- c) authorises the Directors to complete or amend this Application Form where necessary to correct any errors or omissions.

INSTRUCTIONS

1. Enter the number of New Shares you wish to apply for.
2. Enter the total amount of application moneys payable. To calculate this amount, multiply the number of New Shares you are applying for by the issue price for each New Share.
3. Enter the full name(s) of all legal entities that are to be recorded as the registered holders.
4. Enter the postal address for all communications from the Company.
5. Enter the name and telephone number of the person who should be contacted if there are any questions with respect to this application.
6. If you are CHESS sponsored, enter your Participant Identification Number (PID) and Holder Identification Number (HIN), otherwise leave this box blank and a Shareholder Reference Number (SRN) will be allocated to you on issue.
7. Enter the tax file number(s) of the Applicant(s) - this is not mandatory.
8. Unless otherwise agreed by the Company, payment must be made to **"Greenland Minerals and Energy Limited Offer Account"** by cheque drawn or payable on a bank within Australia, crossed **"Not Negotiable"** and be in Australian dollars. Receipt of payment will not be acknowledged.
9. This Application Form does not need to be signed. Return of this Application Form with the required application moneys will constitute acceptance of that number of New Securities stated on this form.

If you have received an Application Form without a complete and unaltered copy of this prospectus, please contact the Company who will send you, free of charge, either a printed or electronic version of this Prospectus (or both).

CORRECT FORMS OF REGISTRABLE TITLE

Note that only legal entities are allowed to hold securities. Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full name and the surname are required for each natural person. Application Forms cannot be completed by persons less than 18 years of age. Examples of the correct form of registrable title are set out below:

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Trusts	Mr John David Brown <John David Brown A/C>	John Brown Family Trust
Deceased Estates	Mr John David Brown <Est John David Brown A/C>	John Brown <Deceased>
Partnerships	Mr John David Brown and Mr Michael James Brown	John Brown & Son
Clubs/ Unincorporated Bodies	Mr John David Brown <ABC Tennis Association A/C>	Brown Investment Club or ABC Tennis Association
Super Funds	John Brown Pty Ltd <Super Fund A/C>	John Brown Superannuation Fund

PAYMENT DETAILS

Please note that if an Application Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept an Application Form, and how to construe, amend or complete it shall be final. An Application Form will not be treated as having offered to subscribe for more New Securities than is indicated by the amount of the accompanying cheque. Please return the completed Application Form (accompanied by a cheque for the application moneys) at any time prior to the Closing Date to the Company to the address set out in the Prospectus.

Applications must be received by the Closing Date.