

18 December 2009

Company announcements

**Pre Feasibility study**

Greenland Minerals and Energy Limited ('Greenland Minerals' or 'the Company') has received drafts of component reports for the 'base case' mining scenario of the Kvanefjeld multi-element project in Greenland. The 'base case' is built around the process flow sheet that was announced in the September Quarterly Activities report, which was released to the Australian Securities Exchange on October 31<sup>st</sup>, 2009. The component reports are in the process of collation and a financial study based on these components is being prepared.

In 2010, the Company plans to conduct further work programs that could see modifications to the base case flow sheet. Recent advances in understanding the ores at Kvanefjeld have opened up several opportunities for further beneficiation, which could see significant enhancements to the current base case scenario. Upcoming test work programs in 2010 will be completed prior to finalizing the process flow sheet that will then be taken through a Definitive Feasibility Study.

An interim pre feasibility report is being compiled that will outline the parameters of a mining operation at Kvanefjeld based on the current process flow sheet.

Given that Kvanefjeld comprises a new ore type that has not been previously mined; the Company is extremely pleased by the progress made to date, and confident that the base case evaluation will provide a clear indication of the projects potential. The board will review the interim report before key outcomes of the study are released to the market in January 2010.

Yours faithfully



Simon Cato  
Director

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