GREENLAND RESOURCES

GREENLAND RESOURCES INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015

(Expressed in Canadian dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of Greenland Resources Inc. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim financial statements and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants Canada for a review of interim financial statements by an entity's auditor.

"*Ruben Shiffman*"
Ruben Shiffman, Director

"*Jesper Kofoed*"
Jesper Kofoed, Director

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	December 31, 2015 $	March 31, 2015 $
ASSETS		
CURRENT		
Cash and cash equivalents	429,847	1,303,790
Advances	6,581	25,381
Sundry receivables	15,636	27,405
Prepaid expenses and deposits	19,302	405,608
TOTAL CURRENT ASSETS	471,366	1,762,184
NON-CURRENT ASSETS		
Securities (Note 6)	300,000	-
Equipment (note7)	7,609	5,146
TOTAL NON-CURRENT ASSETS	307,609	5,146
TOTAL ASSETS	778,975	1,767,330
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	38,558	188,134
TOTAL LIABILITIES	38,558	188,134
SHAREHOLDERS' EQUITY (DEFICIENCY)		
CAPITAL STOCK (Note 9)	3,068,673	3,068,673
STOCK OPTIONS RESERVE (Note 9)	181,500	-
WARRANT RESERVE (Note 9)	23,250	23,250
DEFICIT	(2,533,006)	(1,512,727)
TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)	740,417	1,579,196
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	778,975	1,767,330

GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Note 13)

APPROVED ON BEHALF OF THE BOARD:

Signed *"Ruben Shiffman"*, Director

Signed *"Jesper Kofoed"*, Director

See accompanying notes to the financial statements.

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31

(Expressed in Canadian dollars)

	Three months		Nine months	
	2015	2014	2015	2014
	$	$	$	$
EXPENSES				
General and administration expenses	4,097	3,913	26,876	11,491
Accounting and legal	8,268	1,302	8,154	50,456
Consulting (Note 8)	41,000	36,000	171,000	74,504
Stock-based compensation	90,750	-	181,500	-
Rent	6,000	8,000	18,000	17,000
Advertising and promotion	-	2,275	23,771	34,409
Investor relations	6,187	-	31,389	-
Travel	1,115	6,566	37,308	19,733
Exploration expenses (Note 10)	1,960	71,825	515,061	123,703
Transfer agent fees	520	1,910	1,918	2,866
Insurance	1,458	-	2,430	-
Reverse acquisition costs (Note 5)	-	-	-	567,734
Amortization	613	-	1,840	-
Foreign exchange gain/loss	346	-	4,766	-
Interest (income)	(850)	(1,693)	(3,733)	(2,480)
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	161,464	130,098	1,020,280	900,416
NET LOSS PER SHARE - basic and diluted	$ 0.005	$ 0.004	$ 0.03	$ 0.04
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - basic and diluted	35,225,000	34,078,623	35,225,000	22,717,121

See accompanying notes to the financial statements.

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED DECEMBER 31
(Expressed in Canadian dollars)

	2015 $	2014 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(1,020,280)	(900,416)
Adjustment for:		
Reverse acquisition costs (Note 5)	-	567,734
Stock based compensation	181,500	-
Amortization	1,840	-
	(836,940)	(332,680)
Changes in non-cash working capital balances:		
Decrease (increase) in sundry receivables	11,769	(21,684)
Decrease in prepaid expenses	386,306	(107,650)
Decrease in advances	18,800	8,084
(Decrease) increase in accounts payable and accrued liabilities	(149,575)	76,103
Cash flows (used in) operating activities	(569,640)	(393,995)
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment	(4,303)	-
Investment in securities	(300,000)	-
Cash and cash equivalents acquired on reverse acquisition (Note 5)	-	116,334
Cash flows (used in) from investing activities	(304,303)	116,334
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares for cash	-	2,230,000
Amount due to shareholders	-	(18,356)
Share issue cost	-	(17,577)
Cash flows from financing activities	-	2,194,067
(Decrease) increase in cash and cash equivalents	(873,943)	(180,719)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,303,790	200,220
CASH AND CASH EQUIVALENTS, END OF PERIOD	429,847	2,116,624

SUPPLEMENTAL CASH FLOW INFORMATION

Shares issued in settlement of amounts due to shareholders (Note 9)	-	200,000
Shares issued on reverse acquisition (Note 5)	-	656,250
Warrants issued on reverse acquisition (Note 5)	-	23,250

CASH AND CASH EQUIVALENTS AT DECEMBER 31 ARE:

Cash	15,325	14,931
Cash equivalents	414,522	2,101,693
Total cash and cash equivalents	429,847	2,116,624

See accompanying notes to the financial statements.

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED DECEMBER 31, 2015

(Expressed in Canadian dollars)

	Common Shares #	Capital Stock $	Stock Option Reserve $	Warrant Reserve $	Deficit $	Total $
Balance, March 31, 2015	**35,225,000**	**3,068,673**	**-**	**23,250**	**(1,512,727)**	**1,579,196**
Grant of stock options (Note 9)			181,500			181,500
Net loss for the period					(1,020,280)	(1,020,280)
Balance, December 31, 2015	**35,225,000**	**3,068,673**	**90,750**	**23,250**	**(2,533,006)**	**740,417**

	Common Shares #	Capital Stock $	Stock Option Reserve $	Warrant Reserve $	Deficit $	Total $
Balance, March 31, 2014	**-**	**-**	**-**	**-**	**(23,136)**	**(23,136)**
Issuance of shares (Note 9)	30,850,000	2,430,000	-	-	-	2,430,000
Reverse acquisition (Note 5)	4,375,000	656,250	-	23,250	-	679,500
Share issue costs (Note 9)	-	(17,577)	-	-	-	(17,577)
Net loss for the period	-	-	-	-	(900,416)	(900,416)
Balance, December 31, 2014	**35,225,000**	**3,068,673**	**-**	**23,250**	**(923,550)**	**2,168,371**

1. NATURE OF OPERATIONS AND GOING CONCERN

Greenland Resources Inc. (the "Company") was incorporated under the laws of the Province of Ontario by articles of incorporation dated February 7, 2008 and was engaged in early stage biomedical research. The Company had one project, which was to collaborate with and provide funding to the Hospital for Sick Children for a project involving certain brain tumour and stem cell research (see Note 14). The Company has changed its focus and is now engaged in the acquisition, exploration and development of mineral properties in Greenland. The Company owns a 100% interest in the Storø Gold Project, a mineral exploration project located in Greenland. The Company's registered office is at 390 Bay Street, Suite 806, Toronto, Ontario M5H 2Y2.

On June 9, 2014, the Company acquired 100% of the issued and outstanding shares of Copenhagen Minerals Inc. ("CMI"), a privately held Ontario corporation, in exchange for 16,650,000 common shares of the Company. As a result, former CMI shareholders held a controlling interest in the resulting issuer and the transaction constituted a reverse acquisition with CMI being the accounting acquirer (see Note 5).

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations on such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, and non-compliance with regulatory and environmental requirements.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the realization of assets and discharge of liabilities in the normal course of business. There are certain conditions that cast doubt on this assumption. The Company has incurred losses from operations since inception and has limited working capital to pursue future opportunities.

The ability of the Company to continue as a going concern is dependant upon the development and commercialization of its mineral exploration project, and to generate positive cash flows from operations. The business of exploring for minerals involves a high degree of risk and there can be no assurance that future exploration and development programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

As at December 31, 2015, the Company has not earned revenue and has an accumulated deficit of $2,533,006. The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing and achieve profitable operations in the future. There is no assurance that the Company will be successful in achieving these objectives. These financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

These financial statements were approved by the Board of Directors on February 23, 2016

2. BASIS OF PREPARATION

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and in effect as of February 23, 2016, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended March 31, 2015, except where noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending March 31, 2016 could result in restatement of these unaudited condensed interim financial statements.

The policies have been consistently applied to all periods presented unless otherwise noted.

Basis of measurement

These unaudited condensed interim consolidated financial statements are prepared on the historical cost basis, except for certain financial instruments that are carried at fair value. In addition, these unaudited condensed interim consolidated financial statements are prepared using the accrual basis of accounting except for cash flow information. These unaudited condensed interim consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiary.

Principles of consolidation

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, CMI. Intra-group balances and transactions are eliminated in preparing the consolidated financial statements.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

3. SIGNIFICANT ACCOUNTING POLICIES

Changes in accounting standards

These interim statements follow the same accounting policies and methods of application as the most recent annual financial statements dated March 31, 2015 with the exception of the following -

IFRS 8 – *Operating Segments* ("IFRS 8") was amended to require an entity to disclose the judgments made by management in aggregating segments. IFRS 8 was also amended to clarify that an entity needs to present a reconciliation between the total reporting segment's assets to the entities' total assets if this information is usually provided to the chief operating decision maker. The Company adopted the amendments to IFRS 8 in its consolidated financial statements for the annual period beginning April 1, 2015.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in accounting standards (Continued)

IAS 24 – *Related Party Disclosures* ("IAS 24") was amended to clarify that an entity providing key management services to the reporting entity or the parent of the reporting entity is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. The Company adopted the amendments to IAS 24 in its consolidated financial statements for the annual period beginning April 1, 2015.

4. FUTURE ACCOUNTING CHANGES

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after April 1, 2015 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 –*Financial Instruments* ("IFRS 9"), was issued in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost of fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

IFRS 10 – *Consolidated Financial Statements* ("IFRS 10") and IAS 28 – *Investments in Associates and Joint Ventures* ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

5. REVERSE ACQUISITION

On June 9, 2014, the Company acquired all of the issued and outstanding shares of CMI pursuant to the reverse acquisition. Under the terms of the transaction, CMI exchanged all of its issued and outstanding shares for 16,650,000 common shares of the Company. The Company had 4,375,000 common shares outstanding immediately prior to the reverse acquisition transaction.

As the former shareholders of CMI acquired a majority (79%) of the common shares of the combined entity, CMI, the legal subsidiary, was considered to have acquired the assets and liabilities of Primera, the legal

(Expressed in Canadian dollars)

5. REVERSE ACQUISITION (Continued)

parent, for accounting purposes. The transaction did not constitute a business combination as Primera did not meet the definition of a business under *IFRS 3 – Business Combinations*. As a result, the transaction was accounted for as a capital transaction with CMI is being identified as the acquirer with the equity consideration measured at fair value. The resulting consolidated financial statements are presented as a continuation of CMI.

The purchase price consideration paid and the net assets of Primera acquired by CMI were as follows:

Consideration	
4,375,000 common shares	$656,250
250,000 warrants	23,250
Total consideration	$679,500
Identifiable assets acquired	
Cash and cash equivalents	$116,334
Sundry receivables and prepaid expenses	850
Accounts payable and accrued liabilities	(5,418)
Total net identifiable assets acquired	111,766
Reverse acquisition costs	567,734
	$679,500

The 4,375,000 common shares were valued at $0.15 per share for an estimated aggregate value of $656,250. The value of the common shares was based on the terms of a private placement financing that was negotiated around the time of the reverse acquisition and completed in August 2014 (Note 9).

The fair value of the 250,000 warrants issued was estimated using the Black Scholes pricing model with the following assumptions: current stock price of $0.15, expected dividend yield of 0%, expected volatility of 100%, risk free rate of 1.07% and expected life of 2 years. Volatility was based on the historical volatility of comparable companies. The grant date fair value of the warrants issued was estimated to be $23,250.

The resultant residual of the purchase price consideration paid over the net assets of Primera acquired has been expensed as costs of the reverse acquisition.

6. INVESTMENTS

On June 9, 2015, the Company acquired an approximately 6% interest in a private oil and gas company through the acquisition of 2,000,000 common shares at $0.15 per share, for a total investment of $300,000.

Securities held at

	December 31, 2015		December 31, 2014	
	Shares	$	Shares	$
1885683 Alberta Ltd.	2,000,000	$ 300,000	-	-
Total investments		$ 300,000		-

(Expressed in Canadian dollars)

7. EQUIPMENT

For the nine month period ending December 31, 2015

	Field equipment	Computer equipment	Total
Net book value, beginning	3,805	1,341	5,146
Additions	2,416	1,887	4,303
Amortization	(815)	(1,024)	(1,840)
Ending	5,406	2,204	7,609
Consisting of			
Cost	6,644	3,675	10,319
Accumulated amortization	(1,238)	(1,471)	(2,709)
	5,406	2,204	7,609

For the twelve month period ending March 31, 2015

	Field equipment	Computer equipment	Total
Net book value, beginning	-	-	-
Additions	4,228	1,788	6,016
Amortization	(423)	(447)	(870)
Ending	3,805	1,341	5,146
Consisting of			
Cost	4,228	1,788	6,016
Accumulated amortization	(423)	(447)	(870)
	3,805	1,341	5,146

8. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and officers of the Company, close family members and enterprises that are controlled by these individuals, as well as any entity providing key management services. In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any directors (executive and non-executive) of the Company. During the three months ended December 31, 2015 $41,000 was paid to three key management persons or entities controlled by them (2014 - $36,000) and is included in the Consulting account. Two officers of the Company who received expense advances had outstanding amounts at December 31, 2015 totaling $6,581 (2014 - $8,084).

The above transactions were conducted in the normal course of business and were accounted for at the exchange amount which is the amount agreed between the parties.

(Expressed in Canadian dollars)

9. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS

(a) Authorized
Unlimited number of common shares with no par value

(b) Issued

	Capital Stock #	Amount $
Balance of capital stock of CMI, March 31, 2014	-	-
Issuance – May 9, 2014	16,650,000	300,000
Reverse acquisition – June 9, 2014 (Note 5)	4,375,000	656,250
Issuance – August 28, 2014	6,666,667	1,000,000
Share issue costs		(5,167)
Issuance – October	7,533,333	1,130,000
Share issue costs		(12,410)
Balance, March 31, 2015	35,225,000	3,068,673
Issuance	-	-
Share issue costs	-	-
Balance, December 31, 2015	35,225,000	3,068,673

On May 9, 2014, CMI issued 300,000 common shares at $1.00 per share for gross proceeds of $300,000 of which $100,000 was received in cash and $200,000 was received through settlement of amounts due to shareholders of $200,000. The CMI common shares were split into 16,650,000 common shares of the Company on June 9, 2014, pursuant to the reverse acquisition described in Note 5.

On August 28, 2014, the Company closed the first tranche of a private placement financing for total proceeds of $1,000,000 through the sale 6,666,667 common shares at a price of $0.15 per share. Share issue costs of $5,167 were recognized in conjunction with this financing.

On October 14, 2014, the Company closed the second tranche of a private placement financing for total proceeds of $1,130,000 through the sale 7,533,333 common shares at a price of $0.15 per share. Share issue costs of $12,410 were recognized in conjunction with this financing.

(c) Warrants

	Warrants #	Grant Date Fair Value $	Exercise Price $
Balance of warrants of CMI, March 31, 2014	-	-	-
Reverse acquisition – June 9, 2014 (Note 5)	250,000	23,250	0.10
Balance, March 31, 2015 and December 31, 2015	250,000	23,250	0.10

250,000 warrants were issued to an agent pursuant to a financing. These non-assignable agent's warrants are exercisable at $0.10 per share for a period of 24 months following the date of listing of the common shares on a recognized stock exchange.

(Expressed in Canadian dollars)

9. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS (Continued)

(d) Stock options

The Company has granted options for the purchase of common shares to its directors, officers, and consultants. The options are non-assignable and may be granted for a term not exceeding five years. The exercise price of the options is fixed by the Board of Directors of the Company at the time of grant at the market price of the common shares, subject to all applicable regulatory requirements.

As at December 31, 2015, there was one series of stock options outstanding, as follows

Number of Options #	Exercisable Options #	Exercise Price ($ per share)	Weighted Average Remaining Contractual Life (years)	Expiry Date
2,500,000	825,000	0.20	4.58	April 28, 2020
2,500,000	825,000	0.20	4.58	

The following table shows a summary of changes in stock options.

	Options #	Grant Date Fair Value $	Exercise Price $
Balance of stock options, March 31, 2014 and 2015	-	-	
Granted April 28, 2015 (i)	2,500,000	275,000	0.20
Balance, December 31, 2015	2,500,000	275,000	

(i) On April 28, 2015, the Company granted 2,500,000 stock options to officers, directors and consultants with an exercise price of $0.20 per option. The options expire five years from the grant date, April 28, 2020. The options vest as to 33% immediately on granting, 33% at the end of six months from the date of grant and the remaining 34% at the end of twelve months from the date of grant. The grant date fair value was estimated using the Black Scholes pricing model with the following assumptions: current stock price of $0.15, expected dividend yield of 0%, expected volatility of 100%, risk free rate of 1.25% and expected life of 5 years. Volatility was based on the historical volatility of comparable companies. The grant date fair value of the warrants issued was estimated to be $275,000.

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION EXPENSES

The Company's exploration license area in Greenland, held through its wholly owned subsidiary CMI, referred to as the Storø Project, is valid until December 31, 2018 after which the Company has the option to extend the license for a further six years, in two year intervals, or to convert the license into an exploitation license.

Exploration expenditures for the property totalling $1,165,628 cover exploration work carried out to the end of the second phase of diamond drill testing of the Storø Project, which was completed in the previous quarter, and are summarized by year in the following table:

	April 1, 2015 to December 31, 2015 $	April 1, 2014 to March 31, 2015 $	Nov 20, 2014 to March 31, 2014 $
Consulting, geological	30,391	50,120	-
Consulting, deposit studies	-	18,047	-
Tenure	-	1,037	8,060
Travel and accommodation	40,656	53,052	-
Aircraft charter	146,846	129,263	-
Communications	2,977	3,110	-
Shipping, postage, courier	23	51	-
QA/QC program	-	58,988	
Assaying	22,027	20,561	-
Diamond drilling	259,914	301,109	
Publications, maps, data	-	4,776	-
Supplies and services	12,227	2,393	-
	515,061	642,507	8,060

11. FINANCIAL INSTRUMENTS

Fair Value

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the reporting date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying values of the Company's current financial instruments comprising cash and cash equivalents, sundry receivables, accounts payable and accrued liabilities approximate their fair values due to their short-term nature.

Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

11. FINANCIAL INSTRUMENTS (Continued)

Risk Factors (Continued)

Liquidity Risk:

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2015, the Company had a cash and cash equivalents balance of $429,847 (March 31, 2015 - $1,303,790) to settle current liabilities of $38,558 (March 31, 2015 - $188,134). All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Interest Rate Risk:

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in money market funds and investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Credit Risk:

The Company's credit risk is primarily attributable to sundry receivables. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to these financial instruments included in sundry receivables is remote.

Foreign Exchange Risk:

The Company's functional and reporting currency is the Canadian dollar and purchases of goods and services have largely been transacted in Canadian dollars. The Company funds some of its exploration expenses on a cash basis in Danish Krone (DKK) or other currencies converted from its Canadian dollar bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is, for the foreseeable future, negligible and therefore does not hedge its foreign exchange risk. As at December 31, 2015 and March 31, 2015, the Company’s cash and cash equivalent balances were all held in Canadian dollars (CAD). Certain suppliers to the Company’s exploration program required deposits that were denominated in DKK to be paid in advance of work. These amounts were applied against bills over relatively short time frames, making foreign exchange effects insignificant.

Sensitivity Analysis:

Sensitivity to a plus or minus 1 percentage point change in interest rates, based on the balance of cash and cash equivalents as at December 31, 2015 would result in a change in interest income of approximately $4,300 (March 31, 2015 - $13,038) during a twelve-month period.

12. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of share capital, warrant reserve and accumulated deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to fund its exploration activities. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The project in which the Company currently has an interest is in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration programs and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

12. CAPITAL MANAGEMENT (Continued)

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's capital management approach during the period ended December 31, 2015.

13. COMMITMENTS AND CONTINGENCIES

The Company's exploration and evaluation activities are subject to various international and federal laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

At December 31, 2015 the Company had no material commitments or contingencies.

14. RESEARCH PROJECT

On February 8, 2008, the Company entered into a research agreement with The Hospital for Sick Children ("HSC") regarding funding and collaboration with respect to certain research conducted by HSC regarding brain tumour stem cells. Pursuant to this agreement, the Company agreed to fund $300,000 of research expenses, all of which was paid. The Company is entitled to 10% of HSC's net proceeds from any commercialization agreements pertaining to intellectual property derived from that research.

15. SEGMENTED INFORMATION

The Company's operations consist of the acquisition, exploration and development of mineral properties. During the three months ended December 31, 2015, substantially all of the Company's assets and operations relate to the acquisition, exploration and development of mineral properties in Greenland. As at December 31, 2015 and March 31, 2015, substantially all of the Company's assets were held in Canada. Equipment presently valued at $5,935 is located in Greenland and constitutes less than 1% of total assets.