



**GREENLAND RESOURCES INC.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 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)

	June 30, 2015 \$	March 31, 2015 \$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	689,944	1,303,790
Advances	16,783	25,381
Sundry receivables	8,536	27,405
Prepaid expenses and deposits (note 10)	124,762	405,608
<b>TOTAL CURRENT ASSETS</b>	<b>840,025</b>	<b>1,762,184</b>
<b>NON-CURRENT ASSETS</b>		
Securities	300,000	-
Equipment (note7)	9,449	5,146
<b>TOTAL NON-CURRENT ASSETS</b>	<b>309,449</b>	<b>5,146</b>
<b>TOTAL ASSETS</b>	<b>1,149,474</b>	<b>1,767,330</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 6)	47,446	188,134
<b>TOTAL LIABILITIES</b>	<b>47,446</b>	<b>188,134</b>
<b>SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		
<b>CAPITAL STOCK</b> (Note 9)	3,068,673	3,068,673
<b>STOCK OPTIONS RESERVE</b> (Note 9)	90,750	-
<b>WARRANT RESERVE</b> (Note 9)	23,250	23,250
<b>DEFICIT</b>	(2,080,645)	(1,512,727)
<b>TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)</b>	<b>1,102,028</b>	<b>1,579,196</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,149,474</b>	<b>1,767,330</b>

**GOING CONCERN** (Note 1)**COMMITMENTS AND CONTINGENCIES** (Note 32)

APPROVED ON BEHALF OF THE BOARD:

Signed "*Ruben Shiffman*", DirectorSigned "*Jesper Kofoed*", Director

See accompanying notes to the financial statements.

**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

FOR THE THREE MONTHS ENDED JUNE 30

(Expressed in Canadian dollars)

	2015 \$	2014 \$
<b>EXPENSES</b>		
General and administration expenses	8,343	1,182
Accounting and legal	5,000	29,600
Consulting (Note 8)	86,000	-
Stock-based compensation	90,750	-
Rent	2,000	4,580
Advertising and promotion	11,389	-
Investor relations	14,715	-
Travel	25,906	-
Exploration expenses (Note 10)	317,501	27,183
Transfer agent fees	878	782
Reverse acquisition costs (Note 5)	-	567,734
Foreign exchange gain/loss	7,240	-
Interest (income)	(1,804)	(787)
<b>NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>567,918</b>	<b>630,274</b>
<b>NET LOSS PER SHARE - basic and diluted</b>	<b>0.02</b>	<b>0.06</b>
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>		
- basic and diluted	35,225,000	10,523,901

See accompanying notes to the financial statements.

**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE THREE MONTHS ENDED JUNE 30

(Expressed in Canadian dollars)

	2015 \$	2014 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period	(567,918)	(630,274)
Adjustment for:		
Reverse acquisition costs (Note 5)	-	567,734
Stock based compensation	90,750	-
	(477,168)	(62,540)
Changes in non-cash working capital balances:		
Decrease (increase) in sundry receivables	18,869	(3,647)
Decrease in prepaid expenses	280,846	-
Decrease in advances	8,598	-
(Decrease) increase in accounts payable and accrued liabilities	(140,688)	46,984
Cash flows (used in) operating activities	(309,543)	(19,203)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
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
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of shares for cash	-	100,000
Amount due to shareholders	-	15,618
Share issue cost	-	-
Cash flows from financing activities	-	115,618
(Decrease) increase in cash and cash equivalents	(613,846)	212,749
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	1,303,790	200,220
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	689,944	412,969
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
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
<b>CASH AND EQUIVALENTS AT JUNE 30 ARE COMPRISED OF:</b>		
Cash	7,343	412,969
Cash equivalents	682,601	-
Total cash and cash equivalents	689,944	412,969

See accompanying notes to the financial statements.

**UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

FOR THE THREE MONTHS ENDED JUNE 30, 2015

(Expressed in Canadian dollars)

	<b>Common Shares #</b>	<b>Capital Stock \$</b>	<b>Stock Option Reserve \$</b>	<b>Warrant Reserve \$</b>	<b>Deficit \$</b>	<b>Total \$</b>
<b>Balance, March 31, 2015</b>	<b>35,225,000</b>	<b>3,068,673</b>	-	<b>23,250</b>	<b>(1,512,727)</b>	<b>1,579,196</b>
Grant of stock options (Note 9)			90,750			90,750
Net loss for the period					(567,918)	(567,918)
<b>Balance, June 30, 2015</b>	<b>35,225,000</b>	<b>3,068,673</b>	<b>90,750</b>	<b>23,250</b>	<b>(2,080,645)</b>	<b>1,102,028</b>

	<b>Common Shares #</b>	<b>Capital Stock \$</b>	<b>Stock Option Reserve \$</b>	<b>Warrant Reserve \$</b>	<b>Deficit \$</b>	<b>Total \$</b>
<b>Balance, March 31, 2014</b>	-	-	-	-	<b>(23,136)</b>	<b>(23,136)</b>
Issuance of shares (Note 9)	16,650,000	300,000	-	-	-	300,000
Reverse acquisition (Note 5)	4,375,000	656,250	-	23,250	-	679,500
Net loss for the period	-	-	-	-	(630,274)	(630,274)
<b>Balance, June 30, 2014</b>	<b>21,025,000</b>	<b>3,068,673</b>	<b>90,750</b>	<b>23,250</b>	<b>(653,410)</b>	<b>326,090</b>

See accompanying notes to the financial statements.

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE THREE MONTHS ENDED JUNE 30, 2015  
(Expressed in Canadian dollars)

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**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, an 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 June 30, 2015, the Company has not earned revenue and has an accumulated deficit of \$ 2,080,645. 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 August 31, 2015

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE THREE MONTHS ENDED JUNE 30, 2015  
(Expressed in Canadian dollars)

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## 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 outstanding as of August 31, 2015, 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 IAS 24 in its consolidated financial statements for the annual period beginning April 1, 2014.



**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE THREE MONTHS ENDED JUNE 30, 2015  
(Expressed in Canadian dollars)

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**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, 2014.

**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 or 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

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED JUNE 30, 2015**  
 (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		<u>23,250</u>
Total consideration		<u>\$679,500</u>
Identifiable assets acquired		
Cash and cash equivalents		\$116,334
Sundry receivables and prepaid expenses		850
Accounts payable and accrued liabilities		<u>(5,418)</u>
Total net identifiable assets acquired		111,766
Reverse acquisition costs		<u>567,734</u>
		<u>\$679,500</u>

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

	June 30, 2015		June 30, 2014	
	Shares	\$	Shares	\$
1885683 Alberta Ltd.	<u>2,000,000</u>	<u>\$ 300,000</u>	-	-
Total investments		<u>\$ 300,000</u>		<u>-</u>

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED JUNE 30, 2015**  
 (Expressed in Canadian dollars)

**7. EQUIPMENT**

For the three month period ending June 30, 2015

	Field equipment	Computer equipment	Total
Net book value, beginning	3,805	1,341	5,146
Additions	2,416	1,887	4,303
Amortization	-	-	-
Ending	<u>6,221</u>	<u>3,228</u>	<u>9,449</u>
Consisting of			
Cost	6,644	3,675	10,319
Accumulated amortization	<u>(423)</u>	<u>(447)</u>	<u>(870)</u>
	<u>6,221</u>	<u>3,228</u>	<u>9,449</u>

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	<u>(423)</u>	<u>(447)</u>	<u>(870)</u>
Ending	<u>3,805</u>	<u>1,341</u>	<u>5,146</u>
Consisting of			
Cost	4,228	1,788	6,016
Accumulated amortization	<u>(423)</u>	<u>(447)</u>	<u>(870)</u>
	<u>3,805</u>	<u>1,341</u>	<u>5,146</u>

**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 June 30, 2015 \$98,000 was paid to four key management persons or entities controlled by them (2014 - \$nil) and is included in the Consulting and Investor Relations accounts. Key management personnel were granted stock options during the quarter that were valued at \$143,000, of which \$47,190 is included in Stock-based compensation for the quarter for the vested portion of the grant.

At June 30, 2015, \$4,000 is included in "Accounts payable and Accrued liabilities" owing to an officer of the Company (March 31, 2015 - \$nil) for normal course fees and expenses. \$6,780 is owing to an entity of which a director of the Company is an officer, for consulting fees related to investor relations work. Two officers of the Company who received expense advances had outstanding amounts at June 30, 2015 totaling \$16,783.

In June, the Company invested \$300,000 in shares of 1885683 Alberta Ltd., a privately held oil and gas production company controlled by an officer of the Company.

The amounts due to shareholders are unsecured, non-interest bearing and due on demand. As at March 31, 2014, the Company had \$218,356 due to shareholders of which \$18,356 was repaid in cash and \$200,000 was settled in shares during the year ended March 31, 2015 (see Note 9).

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED JUNE 30, 2015**  
 (Expressed in Canadian dollars)

**8. RELATED PARTY TRANSACTIONS (Continued)**

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.

**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	<u>35,225,000</u>	<u>3,068,673</u>
Issuance	-	-
Share issue costs	-	-
Balance, June 30, 2015	<u>35,225,000</u>	<u>3,068,673</u>

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 June 30, 2015	<u>250,000</u>	<u>23,250</u>	<u>0.10</u>

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED JUNE 30, 2015**  
 (Expressed in Canadian dollars)

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

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.

(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 June 30, 2015, the following stock options were outstanding

Number of Options #	Exercisable Options #	Exercise Price (\$ per share)	Weighted Average Remaining Contractual Life (years)	Expiry Date
2,500,000	825,000	0.20	4.83	April 28, 2020
2,500,000	825,000	0.20	4.83	

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, June 30, 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, 34% at the end of six months from the date of grant and the remaining 33% 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.

**NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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## 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 related to the property total \$968,068 cumulatively, and are summarized by year in the following table:

	April 1, 2015 to June 30, 2015 \$	April 1, 2014 to March 31, 2015 \$	Nov 20, 2014 to March 31, 2014 \$
Consulting, geological	25,391	50,120	-
Consulting, deposit studies	-	18,047	-
Tenure	-	1,037	8,060
Travel and accommodation	25,859	53,052	-
Aircraft charter	83,500	129,263	-
Communications	1,258	3,110	-
Shipping, postage, courier	-	51	-
QA/QC program	-	58,988	-
Assaying	14,785	20,561	-
Diamond drilling	156,569	301,109	-
Publications, maps, data	-	4,776	-
Supplies and services	10,139	2,393	-
	<u>317,501</u>	<u>642,507</u>	<u>8,060</u>

## 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.

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## 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 June 30, 2015, the Company had a cash and cash equivalents balance of \$689,944 (March 31, 2015 - \$1,303,790) to settle current liabilities of \$47,446 (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 June 30, 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 the 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 June 30, 2015 would result in a change in interest income of approximately \$68,994 (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.

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**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 June 30, 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.

The Company's Phase 2 drilling program at the Storø Project was scheduled to commence in the quarter following June 30, 2015. Apart from ongoing charges based on the amount of drilling billed to be performed, as at 30, 2015, the Company was committed to pay the contractor approximately \$58,000 which was mostly for estimated demobilization costs, and the drill was in storage in Greenland pending commencement of Phase 2 drilling. The drilling contractor held a deposit of \$100,000 at June 30, 2015 to be applied against final costs at the end of the Phase 2 drilling program.

**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 June 30, 2015, substantially all of the Company's assets and operations relate to the acquisition, exploration and development of mineral properties in Greenland. As at June 30, 2015 and March 31, 2015, substantially all of the Company's assets were held in Canada. The field equipment, presently valued at \$6,221 is located in Greenland and constitutes only 0.5% of total assets.

**16. SUBSEQUENT EVENTS**

Subsequent to June 30, 2015 the Company commenced and completed its Phase 2 drilling program at the Storø Project, Nuuk, Greenland.