



GREENLAND RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE NINE MONTHS ENDED DECEMBER 30, 2022 and 2021

(Expressed in Canadian dollars)

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GREENLAND RESOURCES INC.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The unaudited condensed consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated interim financial statements and (ii) the unaudited condensed consolidated 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 consolidated interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed consolidated 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 consolidated 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 consolidated 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 CONSOLIDATED INTERIM 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 consolidated 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 consolidated 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 consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

GREENLAND RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

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	December 31, 2022 \$	March 31, 2022 \$
ASSETS		
CURRENT		
Cash	2,290,283	1,961,845
Advances (Note 4)	98,493	208,953
Sales tax and other receivables	174,459	329,884
Prepaid expenses and deposits	10,137	88,029
TOTAL CURRENT ASSETS	2,573,372	2,588,711
TOTAL ASSETS	2,573,372	2,588,711
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	232,593	376,382
TOTAL LIABILITIES	232,593	197,194
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 5)	16,260,234	14,167,111
WARRANT RESERVE (Note 5)	2,567,395	1,957,258
STOCK OPTION RESERVE (Note 5)	1,479,407	898,028
DEFICIT	(17,966,257)	(14,810,068)
TOTAL SHAREHOLDERS' EQUITY	2,340,779	2,212,329
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,573,372	2,588,711
NATURE OF OPERATIONS AND GOING CONCERN (Note 1)		
COMMITMENTS AND CONTINGENCIES (Note 9)		

APPROVED ON BEHALF OF THE BOARD:

Signed "*Ruben Shiffman*", Director

Signed "*James Steel*", Director

See accompanying notes to the consolidated financial statements.

GREENLAND RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED DECEMBER 31
(Expressed in Canadian dollars)

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	Three months ended December 31		Nine months ended December 31	
	2022 \$	2021 \$	2022 \$	2021 \$
EXPENSES AND OTHER EXPENSES (INCOME)				
General and administration expenses	87,125	87,492	272,033	233,571
Accounting and legal	73,654	30,644	131,663	146,284
Consulting (Note 4)	224,437	304,751	1,099,905	919,846
Stock-based compensation (Note 5)	152,906	-	581,379	-
Rent	5,000	5,224	12,500	10,036
Advertising and promotion	4,449	1,106	66,295	3,319
Investor relations	25,099	24,800	112,798	92,997
Travel and entertainment	66,224	57,698	192,494	77,994
Exploration expenses (Note 6)	318,857	1,434,442	677,018	3,362,485
Transfer agent fees	3,315	1,105	6,865	10,963
Insurance	7,707	6,753	16,236	15,510
Loss on financial assets at fair value through profit or loss (Note 7)	-	836,000	-	4,290,000
Foreign exchange loss	2,270	4,693	3,360	5,468
Interest (income)	(10,591)	(3,274)	(16,355)	(7,764)
NET (LOSS) FROM CONTINUING OPERATIONS	(960,452)	(2,791,434)	(3,156,189)	(9,160,709)
(Loss) from discontinued operation (Note 3)	-	-	-	(10,790)
Gain on sale of discontinued operation (Note 3)	-	-	-	5,530,000
NET (LOSS) AND COMPREHENSIVE (LOSS)	(960,452)	(2,791,434)	(3,156,189)	(3,641,499)
NET (LOSS) PER SHARE				
Basic and diluted (loss) per share:				
Continuing operations	(0.01)	(0.03)	(0.03)	(0.10)
Discontinued operation	-	-	-	0.06
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
-basic and diluted	99,148,094	92,462,562	99,148,094	92,462,562

See accompanying notes to the consolidated financial statements.

GREENLAND RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED DECEMBER 31
(Expressed in Canadian dollars)

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	2022	2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(3,156,189)	(3,641,499)
Adjustment for:		
Stock-based compensation (Note 5)	581,379	-
Loss on financial assets at fair value through profit or loss (Note 7)	-	4,290,000
Gain on sale of discontinued operation (Note 3)	-	(5,530,000)
	<u>(2,574,810)</u>	<u>(4,881,499)</u>
Changes in non-cash working capital balances:		
Sales tax and other receivables	155,425	(89,988)
Prepaid expenses and deposits	77,892	(10,665)
Advances	110,460	(27,960)
Accounts payable and accrued liabilities	<u>(143,789)</u>	<u>122,433</u>
Net cash (outflow) from operating activities	<u>(2,374,822)</u>	<u>(4,887,679)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue (Note 5)	2,189,510	-
Proceeds from exercise of warrants	<u>513,750</u>	<u>1,250</u>
Net cash from financing activities	<u>2,703,260</u>	<u>1,250</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash proceeds from sale of discontinued operation (Note 3)	-	250,000
Proceeds from sale of financial asset at fair value through profit or loss (Note 3)	<u>-</u>	<u>990,000</u>
Net cash from investing activities	<u>-</u>	<u>1,240,000</u>
Decrease in cash	328,438	(3,646,429)
CASH, BEGINNING OF PERIOD	<u>1,961,845</u>	<u>8,095,629</u>
CASH, END OF PERIOD	<u>2,290,283</u>	<u>4,449,200</u>
CASH FLOWS OF DISCONTINUED OPERATION (Note 3)		

See accompanying notes to the consolidated financial statements.

GREENLAND RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE MONTHS ENDED DECEMBER 31
(Expressed in Canadian dollars)

	Common Shares #	Capital Stock \$	Warrant Reserve \$	Option Reserve \$	Deficit \$	Total \$
Balance - March 31, 2022	98,007,865	14,167,111	1,957,258	898,028	(14,810,068)	2,212,329
Vesting of stock options (Note 5)	-	-	-	581,379	-	581,379
Issue of common shares (Note 5)	4,534,614	1,467,989	721,521	-	-	2,189,510
Exercise of warrants (Note 5)	850,000	625,134	(111,384)	-	-	513,750
Net loss for the period	-	-	-	-	(3,156,189)	(3,156,189)
Balance - December 31, 2022	103,392,479	16,260,234	2,567,395	1,479,407	(17,966,257)	2,340,779
Balance - March 31, 2021	97,995,365	14,165,236	1,957,883	722,136	(8,850,690)	7,994,565
Exercise of warrants	12,500	1,875	(625)	-	-	1,250
Net loss for the period	-	-	-	-	(3,641,499)	(3,641,499)
Balance - December 31, 2021	98,007,865	14,167,111	1,957,258	722,136	(12,492,189)	4,354,316

See accompanying notes to the consolidated financial statements.

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 is now engaged in the acquisition, exploration and development of mineral properties in Greenland. The Company owns a 100% interest in the Malmbjerg Molybdenum Project, an exploration project located in Greenland. The Company's registered office is at 18 King Street East, Suite 902, Toronto, Ontario M5C 1C4.

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 adversely affected by a number of unforeseeable factors, including government licensing requirements or regulations, social and political licensing requirements, unregistered prior agreements, unregistered claims, and non-compliance with regulatory and environmental requirements.

These condensed consolidated interim 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.

The ability of the Company to continue as a going concern is dependant upon the development and commercialization of its mineral exploration project, and the generation of 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. See also Note 10.

As at December 31, 2022, the Company has not earned revenue and has an accumulated deficit of \$17,966,257. The Company's ability to continue as a going concern in the longer term 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. Management believes it has sufficient working capital to support operations for the next twelve months. These financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

These financial statements were approved by the Board of Directors on February 13, 2023.

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 condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (IAS34). Accordingly, they do not include all of the information required for full annual financial statements 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 February 13, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these consolidated financial statements

2. BASIS OF PREPARATION (Continued)

as in the most recent annual financial statements as at and for the year ended March 31, 2022. Any subsequent changes to IFRS that may be given effect in the Company's annual financial statements for the year ending March 31, 2023 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 consolidated financial statements are prepared on the historical cost basis, except for certain financial instruments that are carried at fair value. In addition, these consolidated financial statements are prepared using the accrual basis of accounting except for cash flow information. These consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiary entities.

Principles of consolidation

These financial statements include the accounts of the Company and its wholly owned subsidiaries, Copenhagen Minerals Inc. ("Copenhagen" or "CMI") and Greenland Resources A/S. Intra-group balances and transactions are eliminated in preparing the condensed consolidated interim financial statements. On May 28, 2021, the Company completed the sale of 100% of the outstanding shares of CMI (see Note 5). Accordingly, the comparative consolidated statement of loss and comprehensive loss were re-presented as if the operations of Copenhagen were discontinued from the start of the comparative year.

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 such 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. DISCONTINUED OPERATION

On May 28, 2021, the Company completed the sale to Greenhawk Resources Inc. ("Greenhawk", formerly Cryptologic Corp.) of 100% of the outstanding shares of the Company's wholly-owned subsidiary, Copenhagen, which owns the Storø Gold Project and associated exploration and prospecting licences located in southwest Greenland.

Greenhawk paid the Company \$250,000 in cash and issued 22 million of its own common shares at a deemed issue price of \$0.24 per share, providing total compensation of \$5,530,000. Upon closing the Company owned approximately 26% of Greenhawk and had Board representation.

Despite these factors, the Company assessed that this investment was not strategic and that the Company did not exert significant influence over Greenhawk and therefore this investment was classified as FVPL.

Accordingly, Copenhagen has been classified as a discontinued operation and the consolidated interim statements of income and comprehensive income have been re-presented separately between continuing and discontinued operations. Furthermore, the Company has made an accounting policy choice to present details of net cash flows from discontinued operations in this note to the consolidated interim financial statements. Unless otherwise specified, all other notes to the consolidated interim financial statements do not include amounts from discontinued operations.

Financial information relating to the discontinued operation for the period is set out below.

The results of Copenhagen's operations presented as loss from discontinued operations in the consolidated statements of income and comprehensive income are as follows:

For the periods ended December 31,	3 Months		9 Months	
	2022	2021	2022	2021
	(\$)	(\$)	(\$)	(\$)
Consulting and professional	-	-	-	10,790
Loss from discontinued operation	-	-	-	10,790

The net cash flows used in the Copenhagen discontinued operations are as follows:

For the periods ended December 31,	3 Months		9 Months	
	2022	2021	2022	2021
	(\$)	(\$)	(\$)	(\$)
Net cash (outflow) from operating activities	-	-	-	(10,790)
Net cash (outflow) from discontinued operation	-	-	-	(10,790)

On December 8, 2021, the Company sold all its shares of Greenhawk in a private sale for cash proceeds of \$990,000. See Note 7.

4. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. 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. The following table shows the compensation paid to key management personnel.

Principal Position	Fiscal Period (Q1-Q3)	Consulting fees (management) (\$)	Stock-based compensation (\$)	Consulting fees (other) (\$)	Total compensation (\$)
Officers	2023	822,535	-	-	822,535
	2022	656,868	-	-	656,868
Directors (not including officers)	2023	50,000	-	97,699	147,699
	2022	-	-	56,000	56,000
Totals	2023	872,535	-	97,699	970,234
	2022	656,868	-	56,000	712,868

One officer and director of the Company held an expense advance at December 31, 2022, with a balance of \$98,493 (March 31, 2022 - \$208,953). This amount is unsecured, non-interest bearing and due on demand.

During the nine months ended December 31, 2022, the Company recorded rent expense of \$12,500 (2021 - \$5,224) paid to a company controlled by a director.

5. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS

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

(b) Issued

	Number of shares #	Amount \$
Balance, issued, March 31, 2022	98,007,865	14,167,111
Private placement (i)	4,534,614	1,467,989
Exercise of warrants	850,000	625,134
Balance, issued, December 31, 2022	103,392,479	16,260,234

- i. On November 17, 2022, the Company closed a non-brokered private placement of 4,534,614 units of the Company at a price of \$0.52 per unit for aggregate gross proceeds of \$2,358,000. Each unit is comprised of one common share and one half of one common share purchase warrant. The Company paid a 7% cash broker commission and issued a total of 158,711 broker warrants. The fair value of the warrant component of the units was estimated using a Black-Scholes option-pricing model with the following assumptions: share price of \$0.53, expected dividend yield of 0%, expected volatility of 118%, risk free rate of 3.93%, and an expected life of 2 years. Volatility was based on the historical volatility of comparable companies.

(c) Warrants

	<u>Warrants</u> #	<u>Grant Date</u> <u>Fair Value</u> \$
Balance, March 31, 2022	13,770,631	1,957,258
Issued (i)	2,267,307	669,587
Issued (ii)	158,711	51,934
Exercised	(887,500)	(111,384)
Balance, December 31, 2022	15,309,149	2,567,395

- i. 2,267,307 warrants were issued to investors through the private placement in November 2022. These warrants are exercisable at \$0.70 for a period of 24 months.
- ii. 158,711 broker warrants were issued in connection with the November 2022 private placement. Each broker warrant is exercisable into one broker warrant unit at a price of \$0.52 per unit for a period of 24 months. Each broker warrant unit is comprised of one common share and one half of one warrant entitling the holder to purchase one common share at an exercise price of \$0.70 for a period of 24 months. The fair value of the broker warrants was estimated using a Black-Scholes option-pricing model with the following assumptions: share price of \$0.53, expected dividend yield of 0%, expected volatility of 118%, risk free rate of 3.93%, and an expected life of 2 years. Volatility was based on the historical volatility of comparable companies.

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

(d) Stock options

The Company has granted options for the purchase of common shares under its stock option plan dated April 28, 2015 for employees, officers, directors and consultants of the Company. 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, not to be less than the market price of the common shares and subject to all applicable regulatory requirements.

As at December 31, 2022, the following stock options were outstanding:

Outstanding Options #	Exercisable Options #	Exercise Price (\$ per share)	Weighted Average Remaining Contractual Life (years)	Expiry Date
1,900,000	1,900,000	0.20	0.49	March 29, 2023
700,000	700,000	0.20	0.52	April 9, 2023
1,800,000	1,800,000	0.20	1.29	January 15, 2024
3,500,000	3,500,000	0.20	3.26	January 1, 2026
1,250,000	412,500	0.80	4.67	June 1, 2027
9,150,000	8,312,500	0.28	2.28	

The following summarizes changes in stock options:

	Options #	Exercise Price \$
Balance, March 31, 2022	7,900,000	0.20
Granted (i)	1,250,000	0.80
Balance, December 31, 2022	9,150,000	

- i. On June 1, 2022, the Company granted 1,250,000 stock options to advisors of the Company with an exercise price of \$0.80 per option. The options expire five years from the grant date, on June 1, 2027. The options vest as to 33% immediately on granting, 33% on December 31, 2022, and the remaining 34% on June 30, 2023. The grant date fair value was estimated using the Black Scholes pricing model with the following assumptions: current stock price of \$0.72, expected dividend yield of 0%, expected volatility of 105%, risk free rate of 2.86% and expected life of 5 years. Volatility was based on the historical volatility of the Company. The grant date fair value of the options granted was estimated to be \$688,995, of which \$581,379 was recognized in the current period and allocated to stock-based compensation.

6. EXPLORATION AND EVALUATION PROPERTIES

The Company has the following license in Greenland.

License 2018/11, referred to as the Malmbjerg Molybdenum Project, was acquired by the Company in December 2017 and was originally valid until December 31, 2022 as long as minimum annual work requirements were met. Due to COVID-19, the minimum exploration requirements for 2020 and 2021 (years 3 and 4) were waived and both years have been taken out of the licence period, thereby extending the licence period by two years.

After Year 5 the Company has the option to extend the license for a further five years from December 31, 2024. By the end of the year ended March 31, 2020, the Company's expenditures on engineering studies of Malmbjerg had exceeded the minimum annual required renewal amounts through the end of Year 5.

Malmbjerg Molybdenum Project

Exploration and evaluation expenditures for the Malmbjerg Molybdenum property during the nine months ended December 31, 2022, totalled \$677,018 (2021 - \$3,362,485) and are summarized in the following table:

	Nine months ended	
	December 31, 2022	December 31, 2021
	\$	\$
License fees, tenure	7,143	25,538
Consulting, deposit studies	633,472	2,257,794
Supplies and services	1,847	168,449
Travel, helicopter, vessels, and accommodations	34,556	859,356
Communications and data	-	51,348
	677,018	3,362,485

7. 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 cash, advances, sundry receivables and accounts payable and accrued liabilities approximate their fair values due to their short-term nature.

The Company's investment in Greenhawk Resources Inc. (see Note 5) was comprised of Canadian-listed securities. During the three months ended September 30, 2021, the Company recognised a fair value loss based on the trading price of those securities. On December 8, 2021, the Company disposed of those securities in a private sale and recognized an additional fair value loss based on the transaction price.

7. FINANCIAL INSTRUMENTS (Continued)

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.

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, 2022, the Company had a cash balance of \$2,290,283 (March 31, 2022 - \$1,961,845) to settle current liabilities of \$232,593 (March 31, 2022 - \$376,382). 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 and expense advances. Included in sundry receivables is sales tax due from the Federal Government of Canada. From time to time the Company makes advances to certain of its personnel and suppliers to expedite work that requires them lay out funds for significant expenses that are reimbursable. These funds are either accounted for with receipts or returned. At December 31, 2022, \$98,493 (March 31, 2022 - \$208,953) of advances to an officer and director were outstanding. 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 and advances is remote.

Foreign Exchange Risk:

The Company's functional and reporting currency is the Canadian dollar and purchases of goods and services have generally been transacted in Canadian dollars. The Company funds certain operations, exploration and administrative 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, 2022, the Company's cash balances were all held in Canadian dollars. From time to time, certain suppliers to the Company's exploration program require deposits or advances that are denominated in DKK or USD. Historically the deposit amounts were all applied against bills, or refunded if unused, over relatively short time frames which made the exchange fluctuation effects immaterial in these stable currencies.

Price Risk:

Prices of goods and services consumed in the course of the Company's activity can fluctuate in response to supply and demand and are often driven by industry cycles. Fluctuations in commodity prices may influence financial markets and may indirectly affect the Company's ability to raise capital to fund exploration. If they vary materially from forecasts made when budgets are set it could affect the ability of the Company to complete work programs. Generally, the Company's planning time horizons are short enough that this does not present a significant risk.

Sensitivity Analysis:

Sensitivity to a 1 percentage point change in interest rates, based on the balance of cash as at December 31, 2022 would result in a change in interest income of approximately \$22,903 (March 31, 2022 - \$19,618) if held over a twelve-month period.

8. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of capital stock, warrant and stock option reserves 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 projects in which the Company currently has an interest are 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.

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 approach to capital management during the nine months ended December 31, 2022, or the year ended March 31, 2022.

9. 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 and thus more difficult to comply with. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. Under the mining law of Greenland certain levels of expenditure are required to have been incurred in order to renew licenses annually, and the Company intends to continue to meet those requirements at Malmbjerg. (See Note 7)

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition in future periods. The Company is closely monitoring the business environment as a result to ensure minimal disruption to business operations.

10. SEGMENTED INFORMATION

The Company's operations consist of the acquisition, exploration and development of mineral properties. During the nine months ended December 31, 2022 and the year ended March 31, 2022, substantially all of the Company's assets and operations related to the acquisition, exploration and development of resource properties were held in Canada. All of its exploration properties were located in Greenland.

11. SUBSEQUENT EVENT

Subsequent to December 31, 2022, and through February 13, 2023, 2,428,624 warrants were exercised, increasing the Company's cash balance by \$1,270,203.