GREENLAND RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2021 and 2020

(Expressed in Canadian dollars)

GREENLAND RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2021 and 2020

(Expressed in Canadian dollars)

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.

(Expressed in Canadian dollars)

	September 30, 2021 $	March 31, 2021 $
ASSETS		
CURRENT		
Cash	5,102,214	8,095,629
Financial asset at fair value through profit or loss (Notes 5 and 9)	1,826,000	-
Advances (Note 6)	19,832	23,947
Sundry receivables	278,004	47,923
Prepaid expenses and deposits	99,732	24,260
TOTAL CURRENT ASSETS	**7,325,782**	**8,191,759**
TOTAL ASSETS	**7,325,782**	**8,191,759**
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	181,282	197,194
TOTAL LIABILITIES	**181,282**	**197,194**
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 7)	14,165,236	14,165,236
WARRANT RESERVE (Note 7)	1,957,883	1,957,883
STOCK OPTION RESERVE (Note 7)	722,136	722,136
DEFICIT	(9,700,755)	(8,850,690)
TOTAL SHAREHOLDERS' EQUITY	**7,144,500**	**7,994,565**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**7,325,782**	**8,191,759**

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Note 11)

APPROVED ON BEHALF OF THE BOARD:

Signed *"Ruben Shiffman"* , Director

Signed *"James Steel"* , Director

GREENLAND RESOURCES INC.

CONSOLIDATED INTERIM STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED SEPTEMBER 30
(Expressed in Canadian dollars)

	Three months ended September 30		Six months ended September 30	
	2021 $	**2020 $**	**2021 $**	**2020 $**
EXPENSES AND OTHER EXPENSES (INCOME)				
General and administration expenses	107,769	8,526	146,078	36,900
Accounting and legal	51,144	2,694	115,640	9,566
Consulting (Note 6)	494,918	53,191	615,096	225,354
Rent	(645)	11,048	4,812	22,097
Advertising and promotion	1,106	1,770	2,212	1,770
Investor relations	48,461	12,499	68,197	20,442
Travel and entertainment	18,506	483	20,297	1,734
Exploration expenses (Note 8)	1,451,738	3,939	1,928,043	31,039
Transfer agent fees	3,690	-	9,858	-
Insurance	7,812	-	8,757	-
Loss on financial assets at fair value through profit or loss (Note 9)	3,454,000	-	3,454,000	-
Foreign exchange loss	754	-	776	-
Interest (income)	(2,211)	(27)	(4,490)	(27)
NET (LOSS) FROM CONTINUING OPERATIONS	**(5,637,043)**	**(94,123)**	**(6,369,275)**	**(348,875)**
(Loss) from discontinued operation (Note 5)	-	(68,903)	(10,790)	(82,035)
Gain on sale of discontinued operation (Note 5)	-	-	5,530,000	-
NET (LOSS) AND COMPREHENSIVE (LOSS)	**(5,637,043)**	**(163,026)**	**(850,065)**	**(430,910)**
NET (LOSS) PER SHARE				
Basic and diluted (loss) per share:				
Continuing operations	(0.058)	(0.001)	(0.065)	(0.005)
Discontinued operation	-	(0.001)	0.056	(0.001)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING -basic and diluted	**97,995,365**	**72,253,030**	**97,995,365**	**72,253,030**

GREENLAND RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED SEPTEMBER 30
(Expressed in Canadian dollars)

	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period	(850,065)	(430,910)
Adjustment for:		
Loss on financial assets at fair value through profit or loss (Note 9)	3,454,000	-
Gain on sale of discontinued operation (Note 5)	(5,530,000)	-
	(2,926,065)	(430,910)
Changes in non-cash working capital balances:		
Sundry receivables	(230,081)	41,744
Prepaid expenses and deposits	(75,472)	18,317
Advances	4,115	1,097
Accounts payable and accrued liabilities	(15,912)	14,520
Net cash (outflow) from operating activities	(3,243,415)	(355,232)
CASH FLOWS FROM INVESTING ACTIVITIE!		
Cash proceeds from sale of discontinued operation (Note 5)	250,000	-
Net cash from investing activities	250,000	-
Decrease in cash	(2,993,415)	(355,232)
CASH, BEGINNING OF PERIOD	8,095,629	1,223,956
CASH, END OF PERIOD	5,102,214	868,724

CASH FLOWS OF DISCONTINUED OPERATION (Note 5)

See accompanying notes to the consolidated financial statements.

GREENLAND RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED SEPTEMBER 30
(Expressed in Canadian dollars)

	Common Shares #	Capital Stock $	Warrant Reserve $	Stock Option Reserve $	Deficit $	Total $
Balance - March 31, 2021	97,995,365	14,165,236	1,957,883	722,136	(8,850,690)	7,994,565
Net income for the period	-	-	-	-	(850,065)	(850,065)
Balance - September 30, 2021	97,995,365	14,165,236	1,957,883	722,136	(9,700,755)	7,144,500
Balance - March 31, 2020	72,253,030	8,283,722	23,250	684,000	(7,636,101)	1,354,871
Net (loss) for the period	-	-	-	-	(430,910)	(430,910)
Balance - September 30, 2020	72,253,030	8,283,722	23,250	684,000	(8,067,011)	923,961

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 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 13.

As at September 30, 2021, the Company has not earned revenue and has an accumulated deficit of $9,700,755. 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 November 12, 2021.

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 November 12, 2021, 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, 2021. Any subsequent changes to IFRS that may be given effect in the Company's annual financial statements for the year ending March 31, 2022 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. SIGNIFICANT ACCOUNTING POLICIES

Cash

Cash consists of chequing accounts and short-term guaranteed investments held at financial institutions in Canada. The Company has not experienced any losses related to these balances and management believes the credit risk to be minimal.

Investments

Investments in publicly-held companies which are traded on a recognized securities exchange are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the investments are revalued to their fair values based on quoted closing prices at the statement of financial position date. The fair value of investments in publicly-held companies is classified as Level one within the fair value hierarchy.

Investments in privately-held companies are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company's management estimates the fair value of investments based on the criteria below and reflects such valuations in the consolidated financial statements.

With respect to valuation, the financial information of private companies in which the Company has investments may not always be available, or such information may be limited and/or unreliable. An upward or downward adjustment is considered appropriate and supported by pervasive and objective evidence such as a significant subsequent equity financing by an unrelated investor at a transaction price higher or lower

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

than the Company's carrying value; or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive or negative impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable.

Exploration and evaluation expenditures
The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of exploration and evaluation properties, property option payments and exploration and evaluation activity.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Decommissioning, restoration and similar liabilities
A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of an exploration property interest. Such costs, discounted to their net present value, are provided for at the start of each project as soon as the obligation to incur such costs arises. The timing of the actual expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates. Discount rates, using a pretax rate reflecting the time value of money, are used to calculate the net present value. The liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Changes in estimates of decommissioning costs are accounted for in the period the change is identified.

The Company had no material restoration, rehabilitation and environmental obligations as at September 30, 2021.

Provision
A provision is recognized, if, as a result of a past event, the Company has a legal or constructive obligation that can be estimated reliably and it is probable that a future outflow of economic benefits will be required to settle the obligation. The timing or amount of the outflow may still be uncertain.

Provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and specific risks of the obligation. Where there are a number of obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. All provisions are reviewed at each reporting date and adjusted accordingly to reflect the current best estimate. The Company had no material provisions at September 30, 2021.

Income taxes
Income tax expense comprises current and deferred tax and is recognized in profit and loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive loss.

Current income taxes
Current income tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current income tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred taxes
Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statements of financial position and their corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

Capital stock and warrants
The Company's common shares and warrants are classified as equity instruments only to the extent that they do not meet the definition of a financial liability. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction, net of tax, from the proceeds. Expired warrants are transferred to deficit on expiry.

Financial instruments

Financial assets

Initial recognition and measurement
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either Fair Value Through Profit or Loss ("FVPL") or Fair Value Through Other Comprehensive Income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. Other accounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Subsequent measurement – financial assets at FVPL
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income or expense in the consolidated statements of loss. The Company's investments are classified as financial assets at FVPL.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)
Financial instruments (Continued)
Financial assets (Continued)

Subsequent measurement – financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the consolidated statements of comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the consolidated statements of earnings (loss) when the right to receive payments is established.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets
The Company's only financial assets subject to impairment are other accounts receivable, which are measured at amortized cost, and investment shares, which are measured by comparison to arm's length transactions involving the investee company. For the accounts receivable assets, the Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include accounts payable and accrued liabilities, which are each measured at amortized cost. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the consolidated statements of loss.

Fair value
The Company classified financial instruments recognized at fair value in accordance with a fair value hierarchy that includes the inputs used to measure fair value. The hierarchy gave the highest priority to

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)
Financial instruments (Continued)
Financial liabilities (Continued)

unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Foreign currency transactions
Transactions in currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Loss per share
Basic loss per share is calculated by dividing profit or loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. The denominator (number of units) is calculated by adjusting the shares in issue at the beginning of the period by the number of shares bought back or issued during the period, multiplied by a time-weighting factor.

Diluted loss per share is calculated by adjusting the number of shares for the effects of dilutive options and warrants. The effects of anti-dilutive potential units are ignored in calculating diluted loss per share.

Share-based payments
The Company accounts for its share-based payments using the fair value method of accounting for accounts settled in shares and for stock options granted to directors, officers, employees, non-employees, consultants and service providers to the Company. The fair value of stock options granted to employees is recognized as an expense over the vesting period with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including directors of the Company. Share-based payments to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the date the goods or services are received.

The fair value of stock options is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

employee, as measured at the date of modification. Unexercised expired stock option values are transferred to deficit.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are as follows:

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based share awards is determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Fair value of investment in securities not quoted in an active market or private company investments

Where the fair values of financial assets and financial liabilities recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. As valuations of investments for which market quotations are not readily available are inherently uncertain, determination of fair value may differ materially from the values that would have resulted if a ready market existed.

Determination of significant influence

Investments in associates are accounted for using the equity method, whereby the investment is carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of the net assets of the investment. The Company's share of the results of operations of an associate is reflected in the profit and loss. An associate is an entity in which the Company has significant influence.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not represent control or joint control over those decisions. The management reviews and makes considerations for the relevant factors in determining whether significant influence exists in investments. During the period ended September 30, 2021 and 2020, the Company determined it did not have associates.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant accounting judgments, estimates and assumptions (Continued)

Contingencies
Refer to Note 11.

New accounting policies

IFRS 5 - *Non-current assets held for sale and discontinued operations* (“IFRS 5”)
A discontinued operation is a component of the Company’s business, with operations and cash flows that are distinguishable from those of the rest of the Company, and which represents a separate major line of business or geographical area of operations, and which is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively for resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the major line of business or geographical operation meets the criteria to be classified as assets held for sale or distribution. When an operation is classified as a discontinued operation, IFRS 5 requires that the comparative statements of comprehensive loss are re-presented as if the operation was discontinued from the start of the comparative year. As a result, the Company’s discontinued operations are excluded from the loss from continuing operations and are presented as an amount, net of tax, as loss from discontinued operations in the statements of comprehensive loss. Furthermore, the Company has made the accounting policy choice to present net cash flows related to its discontinued operations in the notes to the financial statements. See Note 5.

During the year ended March 31, 2021, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These included IAS 1 and IAS 8. These new standards and changes did not have any material impact on the Company’s financial statements.

IAS 1 – Presentation of Financial Statements (“IAS 1”) and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”) were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

4. FUTURE ACCOUNTING CHANGES

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after April 1, 2021. 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 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 effective date of these amendments is yet to be determined, however early adoption is permitted.

5. 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.

(Expressed in Canadian dollars)

5. DISCONTINUED OPERATION (Continued)

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. The Company owns approximately 26% of Greenhawk upon closing and has Board representation. At September 30, 2021, the trading of Greenhawk shares closed at $0.083 per share.

Accordingly, Copenhagen has been classified as a discontinued operation and the consolidated 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 condensed consolidated interim financial statements. Unless otherwise specified, all other notes to the consolidated 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:

	3 Months		6 Months	
For the periods ended September 30,	2021 ($)	2020 ($)	2021 ($)	2020 ($)
Consulting and professional	-	33,000	10,790	33,000
Exploration expenses				
Deposit studies	-	14,206	-	19,205
Licence fees	-	21,697	-	29,830
Loss from discontinued operation	-	68,903	10,790	82,035

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

	3 Months		6 Months	
For the periods ended September 30,	2021 ($)	2020 ($)	2021 ($)	2020 ($)
Net cash (outflow) from operating activities	-	(68,903)	(10,790)	(82,035)
Net cash (outflow) from discontinued operation	-	(68,903)	(10,790)	(82,035)

6. 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.

(Expressed in Canadian dollars)

6. RELATED PARTY TRANSACTIONS (Continued)

Key Management	**Fiscal Period (Q1+Q2)**	**Consulting fees (management) ($)**	**Stock-based compensation ($)**	**Consulting fees (other) ($)**	**Total compensation ($)**
Officers	2022	540,566	-	-	540,566
	2021	108,128	-	-	108,128
Directors *(not including officers)*	2022	-	-	51,000	51,000
	2021	-	-	20,000	20,000
Totals	2022	540,566	-	51,000	591,566
	2021	108,128	-	20,000	128,128

One officer and director of the Company held an expense advance at September 30, 2021, with a balance of $19,832 (March 31, 2021 - $23,947). This amount is unsecured, non-interest bearing and due on demand.

During the six months ended September 30, 2021, the Company recorded rent expense of $4,500 (2020 - $nil) paid to a company controlled by a director.

7. 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 and September 30, 2021	97,995,365	14,165,236

(c) Warrants

	Warrants #	Grant Date Fair Value $
Balance, March 31 and September 30, 2021	13,783,131	1,957,893

i. 250,000 warrants were issued to an agent pursuant to a prior financing. These non-assignable agent's warrants are exercisable at $0.10 per share until September 20, 2023.

ii. 11,871,167 warrants were issued to investors through a brokered private placement in March 2021. These warrants are exercisable at $0.60 until September 20, 2023.

iii. 1,661,964 broker warrants were issued in connection with the March 2021 private placement. Each broker warrant is exercisable into one broker warrant unit at a price of $0.35 per unit until September 20, 2023. 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 $0.60 until September 20, 2023. The fair value of the broker warrants was estimated using a Black-Scholes option-pricing model with the following assumptions: unit price of $0.35, expected dividend yield of 0%, expected volatility of 122%, risk free rate of 0.23%, and an expected life of 2 years. Volatility was based on the historical volatility of comparable companies.

(Expressed in Canadian dollars)

7. 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 September 30, 2021, the following stock options were outstanding:

Outstanding Options #	Exercisable Options #	Exercise Price ($ per share)	Weighted Average Remaining Contractual Life (years)	Expiry Date
.				
700,000	700,000	0.20	1.61	November 9, 2022
1,900,000	1,900,000	0.20	1.99	March 29, 2023
1,800,000	1,800,000	0.20	2.79	January 15, 2024
3,500,000	1,155,000	0.20	4.76	January 1, 2026
7,900,000	5,555,000	0.20	3.37	

The following summarizes changes in stock options:

	Options #	Grant Date Fair Value $	Exercise Price $
Balance, March 31 and September, 2021	7,900,000	722,137	0.20

8. 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.

<u>Malmbjerg Molybdenum Project</u>

Exploration and evaluation expenditures for the Malmbjerg Molybdenum property during the six months ended September 30, 2021, totalled $1,928,043 (2020 - $31,039) and are summarized in the following table:

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION PROPERTIES (Continued)

	Six months ended	
	September 30, 2021 $	**September 30, 2020 $**
License fees, tenure	3,346	1,984
Consulting, deposit studies	927,097	29,055
Supplies and services	138,355	-
Travel, helicopter, vessels, and accommodations (summer field program)	811,659	-
Communications and data	47,586	-
	1,928,043	31,039

9. 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) is 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.

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 September 30, 2021, the Company had a cash balance of $5,102,214 (March 31, 2021 - $8,095,629) to settle current liabilities of $181,282 (March 31, 2021 - $197,194). 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 September 30, 2021, $19,831 (March 31, 2021 - $23,947) of advances to an officer and director were outstanding. The Company has no significant

9. FINANCIAL INSTRUMENTS (Continued)

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 September 30, 2021, 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 September 30, 2021 would result in a change in interest income of approximately $51,022 (March 31, 2021 - $80,956) if held over a twelve-month period.

10. 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 quarter ended September 30, 2021 or the year ended March 31, 2021.

11. 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 8)

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.

12. PREVIOUS 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 and the Company funded $300,000 of research expenses. The Company is entitled to 10% of HSC's net proceeds from any commercialization agreements pertaining to intellectual property derived from that research. HSC reports that the larger research project, which includes some of the materials subject to the Company's interest, is ongoing.

13. SEGMENTED INFORMATION

The Company's operations consist of the acquisition, exploration and development of mineral properties. During the quarter ended September 30, 2021 and the year ended March 31, 2021, 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.