GREENLAND RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (unaudited)

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2016 and 2015

(Expressed in Canadian dollars)

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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 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

"*James Steel*"
James Steel, Director

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

	September 30, 2016 $	March 31, 2016 $
ASSETS		
CURRENT		
Cash and cash equivalents	159,757	324,009
Advances (Note 7)	13,623	9,070
Sundry receivables	4,132	14,198
Prepaid expenses and deposits	3,867	24,924
TOTAL CURRENT ASSETS	181,199	372,201
NON-CURRENT ASSETS		
Investments (Notes 7 and 9)	300,000	300,000
Equipment (Note 6)	5,413	6,996
TOTAL NON-CURRENT ASSETS	305,413	306,996
TOTAL ASSETS	486,792	679,197
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	23,847	44,651
TOTAL LIABILITIES	23,847	44,651
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 8)	3,068,673	3,068,673
WARRANT RESERVE (Note 8)	23,250	23,250
STOCK OPTIONS RESERVE (Note 8)	250,000	243,497
DEFICIT	(2,878,978)	(2,700,874)
TOTAL SHAREHOLDERS' EQUITY	462,945	634,546
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	486,792	679,197

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
COMMITMENTS AND CONTINGENCIES (Note 14)

APPROVED ON BEHALF OF THE BOARD:

Signed "*Ruben Shiffman*" ____________, Director

Signed "*James Steel*" ____________, Director

See accompanying notes to the consolidated financial statements.

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

	Six months	
	2016	**2015**
	$	**$**
EXPENSES		
General and administration expenses	8,743	22,779
Accounting and legal	9,086	(114)
Consulting (Note 7)	92,900	130,000
Stock-based compensation	6,503	90,750
Rent	5,000	12,000
Advertising and promotion	2,000	23,771
Investor relations	8,204	25,202
Travel	8,361	36,193
Exploration expenses (Note 10)	33,830	513,101
Transfer agent fees	249	1,398
Insurance	2,377	972
Amortization	1,583	1,227
Foreign exchange gain/loss	-	4,421
Interest (income)	(732)	(2,884)
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	178,104	858,816
NET LOSS PER SHARE		
- basic and diluted	$ 0.005	$ 0.02
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		
- basic and diluted	35,225,000	35,225,000

See accompanying notes to the consolidated financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED SEPTEMBER 30
(Expressed in Canadian dollars)

	2016 $	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	(178,104)	(858,816)
Adjustment for:		
Stock-based compensation	6,503	90,750
Amortization	1,583	1,227
	(164,426)	(766,840)
Changes in non-cash working capital balances:		
Sundry receivables	10,066	11,554
Prepaid expenses and deposits	21,057	373,548
Advances	(4,553)	20,483
Accounts payable and accrued liabilities	(20,804)	(165,421)
Cash flows (used in) operating activities	(164,252)	(526,685)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in 1885683 Alberta Ltd.	-	(300,000)
Equipment acquired	-	(4,303)
Cash flows from investing activities	-	(304,303)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares for cash	-	-
Share issue cost	-	-
Cash flows from financing activities	-	-
(Decrease) increase in cash and cash equivalents	(164,252)	(830,988)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	324,009	1,303,790
CASH AND CASH EQUIVALENTS, END OF PERIOD	159,757	472,802

CASH AND CASH EQUIVALENTS ARE COMPRISED OF:	**2016**	**2015**
Cash	18,852	9,130
Cash equivalents	140,905	463,672
Total cash and cash equivalents	159,757	472,802

See accompanying notes to the consolidated financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2016 AND 2015
(Expressed in Canadian dollars)

	Common Shares #	Capital Stock $	Stock Option Reserve $	Warrant Reserve $	Deficit $	Total $
Balance, March 31, 2016	**35,225,000**	**3,068,673**	**243,497**	**23,250**	**(2,700,874)**	**634,546**
Grant of stock options (Note 8)	-	-	6,503	-	-	6,503
Net (loss) for the period	-	-	-	-	(178,104)	(178,104)
Balance, September 30, 2016	**35,225,000**	**3,068,673**	**250,000**	**23,250**	**(2,878,978)**	**462,945**

Balance, March 31, 2015	**35,225,000**	**3,068,673**	-	**23,250**	**(1,512,727)**	**1,579,196**
Grant of stock options (Note 8)			90,750	-	-	90,750
Net (loss) for the period	-	-	-	-	(858,816)	(858,816)
Balance, September 30, 2015	**35,225,000**	**3,068,673**	**90,750**	**23,250**	**(2,371,543)**	**811,130**

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 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 15). 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 hold 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, social licensing requirements, 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 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.

As at June 30, 2016, the Company has not earned revenue and has an accumulated deficit of $2,700,874. 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 November 25, 2016.

2. BASIS OF PREPARATION

Statement of compliance

These consolidated financial statements of the Company were prepared in accordance with 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”).

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.

Principles of consolidation

These 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 audited annual financial statements dated March 31, 2016 with the exception of the following –

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 were effective for annual periods beginning on or after January 1, 2016. There is no impact on the Company’s consolidated financial statements as a result of adopting the amendments to IAS 1.

4. FUTURE ACCOUNTING CHANGES

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods beginning on or after April 1, 2016 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

(Expressed in Canadian dollars)

4. FUTURE ACCOUNTING CHANGES (Continued)

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.

IAS 12 – *Income Taxes ("IAS 12")* was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences. The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier adoption is 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 the Company, the legal parent, for accounting purposes. The transaction did not constitute a business combination as the Company 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 being identified as the acquirer with the equity consideration measured at fair value. The resulting consolidated financial statements are presented as a continuation of CMI.

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

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

The 4,375,000 common shares were valued at $0.15 per share for an estimated aggregate value of $656,250. The value of the common shares was based on the terms of a private placement financing that was negotiated around the time of the reverse acquisition and completed in August 2014 (Note 8).

(Expressed in Canadian dollars)

5. REVERSE ACQUISITION (Continued)

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 acquired has been expensed as costs of the reverse acquisition.

6. EQUIPMENT

For the six months ending September 30, 2016

	Field equipment	Computer equipment	Total
Net book value, beginning	5,134	1,862	6,996
Additions	-	-	-
Amortization	(664)	(919)	(791)
Ending	4,469	943	5,413
Consisting of			
Cost	6,644	3,675	10,319
Accumulated amortization	(1,842)	(2,272)	(3,324)
	4,469	943	5,413

For the year ending March 31, 2016

	Field equipment	Computer equipment	Total
Net book value, beginning	3,805	1,341	5,146
Additions	2,416	1,887	4,303
Amortization	(1,087)	(1,366)	(2,453)
Ending	5,134	1,862	6,996
Consisting of			
Cost	6,644	3,675	10,319
Accumulated amortization	(1,510)	(1,813)	(3,323)
	5,134	1,862	6,996

7. 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 during the first two quarter of financial years 2017 and 2016, being the six months ended September 30, 2016 and 2015.

(Expressed in Canadian dollars)

7. RELATED PARTY TRANSACTIONS (Continued)

Key Management	Period (6 mo)	Management fees ($)	Performance bonuses ($)	Stock options ($)	Consulting fees ($)	Total compensation ($)
Officers	2017	78,000	-	2,341	-	80,341
	2016	77,000	50,000	67,815	-	194,815
Directors *(not including officers)*	2017	-	-	1,561	4,000	5,561
	2016	-	-	45,210	21,000	66,210
Totals	2017	78,000	-	3,902	4,000	85,902
	2016	77,000	50,000	113,025	21,000	261,025

Two officers of the Company held expense advances at September 30, 2016, with balances amounting to $13,623 in total (March 31, 2016 - $9,070). These amounts are unsecured, non-interest bearing and due on demand.

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.

During the quarter ended June 30, 2015 the Company made a $300,000 investment in the shares of 1885683 Alberta Ltd., a private oil and gas company with property in western Canada. Two directors of the Company are directors and shareholders of 1885683 Alberta Ltd. At September 30, 2016, 1885683 Alberta Ltd. owed the Company $934 (March 31, 2016 - $7,654). This amount is unsecured, non-interest bearing and due on demand.

8. CAPITAL STOCK, WARRANTS AND STOCK OPTIONS

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

(b) Issued

	Number of shares #	Amount $
Balance, March 31, 2015 and 2016	35,225,000	3,086,673
Balance, September 30, 2016	35,225,000	3,068,673

(c) Warrants

	Warrants #	Grant Date Fair Value $	Exercise Price $
Balance, March 31, 2014	-	-	-
Reverse acquisition – June 9, 2014 (Note 5)	250,000	23,250	0.10
Balance, March 31, 2015 and 2016 and September 30, 2016	250,000	23,250	0.10

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

(Expressed in Canadian dollars)

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

(d) Stock options

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

As at September 30, 2016, there was one series of stock options outstanding, as follows

Number of Options #	Exercisable Options #	Exercise Price ($ per share)	Weighted Average Remaining Contractual Life (years)	Expiry Date
2,500,000	2,500,000	0.20	3.58	April 28, 2020

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

	Options #	Grant Date Fair Value $	Exercise Price $
Balance of stock options, March 31, 2015	-	-	
Granted April 28, 2015	2,500,000	250,000	0.20
Balance, March 31, 2016 and September 30, 2016	2,500,000	250,000	

On April 28, 2015, the Company granted 2,500,000 stock options to officers, directors and consultants with an exercise price of $0.20 per option. The options expire five years from the grant date, April 28, 2020. The options vest as to 33% immediately on granting, 33% at the end of six months from the date of grant and the remaining 34% at the end of twelve months from the date of grant. The grant date fair value was estimated using the Black Scholes pricing model with the following assumptions: current stock price of $0.15, expected dividend yield of 0%, expected volatility of 100%, risk free rate of 0.96% and expected life of 5 years. Volatility was based on the historical volatility of comparable companies. The grant date fair value of the options granted was estimated to be $250,000.

9. INVESTMENTS

On June 9, 2015, the Company acquired an 8% 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.

The following securities were held at the dates indicated:

	September 30, 2016		March 31, 2016	
	Shares	$	Shares	$
1885683 Alberta Ltd.	2,000,000	300,000	2,000,000	300,000
Total investments		300,000		300,000

(Expressed in Canadian dollars)

10. EXPLORATION AND EVALUATION PROPERTY

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 and evaluation expenditures for the property during the six months ended September 30,2016 totalled $33,830 which was mainly preparation an NI43-101 Technical Report, including a site visit, which will present analysis and interpretation of results of the Company's work at the Storø Project, the field work stage of which was essentially completed during the year ended March 31, 2016. Exploration expenditures by the Company from inception (November 20, 2013) are summarized in the following table:

	6 months to September 30 2016 $	Year ended March 31 2016 $	Prior to April 1 2015 $	Total $
Consulting, geological	20,444	30,391	50,120	100,955
Consulting, deposit studies	-	-	18,047	18,047
Tenure	-	-	9,097	9,097
Travel and accommodation	8,416	41,732	53,052	103,200
Aircraft charter	650	146,846	129,263	276,759
Communications	-	2,977	3,110	6,087
Shipping, postage, courier	-	23	51	74
QA/QC program	1,220	-	58,988	60,208
Assaying	-	22,027	20,561	42,588
Diamond drilling	3,100	259,914	301,109	564,123
Publications, maps, data	-	-	4,776	4,776
Supplies and services	-	12,227	2,393	14,620
	33,830	516,137	650,567	1,200,534

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

The carrying value of the Company's investment in 1885683 Alberta Ltd. equals its acquisition cost due to the absence of any market for the shares or any subsequent private placements that would set a different price and the lack of any fundamental change in the overall circumstances of the investment's business since making the investment.

Risk Factors

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

11. FINANCIAL INSTRUMENTS (Continued)
Risk Factors (Continued)

Liquidity Risk:

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at September 30, 2016, the Company had a cash and cash equivalents balance of $233,120 (March 31, 2016 - $324,009) to settle current liabilities of $23,847 (March 31, 2016 - $44,651). 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 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, 2016 and March 31, 2016, 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. The deposit amounts were applied against bills over relatively short time frames which made the exchange effects insignificant.

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 plus or minus 1 percentage point change in interest rates, based on the balance of cash and cash equivalents as at September 30, 2016 would result in a change in interest income of approximately $1,600 (March 31, 2016 - $3,240) if held over a twelve-month period.

13. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of capital stock, 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.

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 approach during the quarter ended September 30, 2016.

14. 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.

15. 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.

16. SEGMENTED INFORMATION

The Company's operations consist of the acquisition, exploration and development of mineral properties. During the six months ended September 30, 2016 and the year ended March 31, 2016, substantially all of the Company's assets and operations related to the acquisition, exploration and development of resource properties in Greenland. As at September 30, 2016 and March 31, 2016, substantially all of the Company's assets were held in Canada. As at September 30, 2016 the field equipment, valued at $4,469 was located in Greenland and comprised 0.9% of total assets.