WESTMELVILLE METALS INC.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2014 and 2013

In Canadian Dollars

KPMG LLP
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INDEPENDENT AUDITORS' REPORT

To the Shareholders of West Melville Metals Inc.

We have audited the accompanying consolidated financial statements of West Melville Metals Inc., which comprise the consolidated statements of financial position as at December 31, 2014 and 2013, the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of West Melville Metals Inc. as at December 31, 2014 and 2013, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 1 to the consolidated financial statements which describes that West Melville Metals Inc. has a history of incurring losses with no operating revenue and will be required to raise additional capital in order to continue its exploration activities. These conditions, along with other matters as set forth in note 1, indicate the existence of a material uncertainty that may cast significant doubt about West Melville Metals Inc.'s ability to continue as a going concern.

KPMG LLP

Chartered Accountants

April 23, 2015
Vancouver, Canada

West Melville Metals Inc.
(An Exploration Stage Company)
Consolidated Statements of Financial Position
(Amounts are expressed in Canadian Dollars)

ASSETS	Notes		As at December 31, 2014		As at December 31, 2013
Current					
Cash and cash equivalents		**$**	**59,604**	$	185,733
Other receivables	7		**11,038**		11,038
GST recoverable			**2,921**		3,973
Prepaid expenses			**2,374**		2,568
			75,937		203,312
Equipment	3		**25,920**		36,815
Exploration and Evaluation Assets	4		**2,686,317**		5,486,763
			2,712,237		5,523,578
		$	**2,788,174**	$	5,726,890

LIABILITIES					
Current					
Accounts payable and accrued liabilities	7	**$**	**26,238**	$	27,797
SHAREHOLDERS' EQUITY					
Share Capital	5		**9,832,270**		9,514,182
Contributed Surplus			**2,022,411**		1,996,738
Deficit			**(9,092,745)**		(5,811,827)
Total Shareholders' Equity			**2,761,936**		5,699,093
		$	**2,788,174**	$	5,726,890

Nature of operations and going concern *(Note 1)*
Subsequent events *(Note 4)*

APPROVED ON April 23, 2015 ON BEHALF OF THE BOARD:

"Rory Moore" ______________, President, CEO and Director

"Jim Paterson" ____________, Director

- The accompanying notes are an integral part of these consolidated financial statements -

West Melville Metals Inc.
(An Exploration Stage Company)
Consolidated Statements of Comprehensive Loss
For the Years Ended December 31, 2014 and 2013
(Amounts are expressed in Canadian Dollars)

	Notes	2014	2013
Expenses			
Advertising and promotion		**$ 12,264**	$ 22,253
Consulting		**-**	41,643
Corporate listing and filing fees		**22,389**	17,282
Depreciation	3	**10,895**	12,090
Office and administration		**13,645**	29,195
Personnel		**75,150**	164,880
Project evaluation	4	**69,075**	89,477
Professional fees		**41,023**	60,663
Rent		**7,935**	22,530
Stock-based compensation	5	**21,761**	500,086
Travel and conferences		**6,767**	21,119
Loss before the undernoted		**(280,904)**	(981,218)
Other income (expenses)			
Interest income		**931**	2,054
Interest expense		**(280)**	(623)
Write-off of exploration and evaluation assets	4	**(3,000,665)**	-
Loss and comprehensive loss for the year		**$ (3,280,918)**	$ (979,787)
Basic and diluted loss per common share		**$ (0.07)**	$ (0.02)
Weighted average number of common shares outstanding		**48,964,996**	42,072,221

- The accompanying notes are an integral part of these consolidated financial statements -

West Melville Metals Inc.
(An Exploration Stage Company)
Consolidated Statement of Changes in Equity
For the Years Ended December 31, 2014 and 2013
(Amounts are expressed in Canadian Dollars)

	Share Capital				
	Number of shares	Amount	Contributed surplus	Deficit	Total shareholders' equity
Balance, December 31, 2012	35,830,851	$ 9,028,720	$ 1,482,864	$ (4,832,040)	$ 5,679,544
Private placements – non-flow-through	10,450,000	522,500	-	-	522,500
Share issuance costs - cash	-	(23,250)	-	-	(23,250)
Share issuance costs - warrants	-	(13,788)	13,788	-	-
Stock-based compensation	-	-	500,086	-	500,086
Loss for the year	-	-	-	(979,787)	(979,787)
Balance, December 31, 2013	46,280,851	9,514,182	1,996,738	(5,811,827)	5,699,093
Private placements – non-flow-through	6,000,000	300,000	-	-	300,000
Share issuance - property acquisition	200,000	22,000	-	-	22,000
Share issuance costs - shares	124,600	-	-	-	-
Share issuance costs - warrants	-	(3,912)	3,912	-	-
Stock-based compensation	-	-	21,761	-	21,761
Loss for the year	-	-	-	(3,280,918)	(3,280,918)
Balance, December 31, 2014	**52,605,451**	**$ 9,832,270**	**$ 2,022,411**	**$ (9,092,745)**	**$ 2,761,936**

West Melville Metals Inc.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013
(Amounts are expressed in Canadian Dollars)

	Notes	2014	2013
Cash Flows used in Operating Activities			
Net loss for the year		$ **(3,280,918)**	$ (979,787)
Adjustments for:			
Depreciation		**10,895**	12,090
Stock-based compensation		**21,761**	500,086
Interest income		**(931)**	(2,054)
Interest expense		**280**	623
Write-off of exploration and evaluation assets		**3,000,665**	-
Changes in non-cash working capital components:			
Other receivables		**-**	(8,324)
GST recoverable		**1,052**	179,984
Prepaid expenses		**194**	54,383
Accounts payable and accrued liabilities		**(16,349)**	(48,763)
		(263,351)	(291,762)
Interest received		**931**	2,054
Interest paid		**(280)**	(623)
		(262,700)	(290,331)
Cash Flows used in Investing Activities			
Exploration and evaluation expenditures	4	**(163,429)**	(112,854)
Cash Flows from Financing Activity			
Issuance of share capital, net of share issuance costs	5	**300,000**	499,250
Net Increase (Decrease) in Cash and Cash Equivalents		**(126,129)**	96,065
Cash and cash equivalents - beginning of year		**185,733**	89,668
Cash and cash equivalents - end of year		$ **59,604**	$ 185,733

Supplemental Schedule of Non-Cash Investing Activities	**December 31, 2014**	December 31, 2013
Change in accounts payable related to exploration and evaluation assets	**14,790**	522

- The accompanying notes are an integral part of these consolidated financial statements -

1. Nature of Operations and Going Concern

West Melville Metals Inc. ("West Melville" or the "Company") was incorporated on May 3, 2011, pursuant to the Business Corporations Act of British Columbia, Canada. The Company was initially incorporated as 0909493 B.C. Ltd. and changed its name to West Melville Iron Company Ltd. on May 26, 2011. On January 17, 2012, the Company changed its name to West Melville Metals Inc. The Company's head office is located at Suite 1020, 800 West Pender Street, Vancouver BC, Canada, V6C 2V6. The Company's common shares are publicly listed on the Toronto Stock Exchange's Venture Exchange (the "Exchange") under the symbol "WMM".

West Melville is an exploration stage enterprise and is exploring its mineral interest in Greenland with the objective of identifying economically recoverable reserves and bringing the property to the extraction and processing stage.

The Company has not yet determined whether the property being explored contains economically recoverable mineral reserves. The recoverability of the amounts capitalized as exploration and evaluation assets is ultimately dependent upon the existence of economically recoverable ore reserves, securing and maintaining title and beneficial interest in the property, obtaining necessary financing to continue to explore and develop the property, and upon future profitable production or proceeds from disposition of the mineral property. The amounts shown as exploration and evaluation assets represent costs incurred to date, and do not necessarily represent current or future fair values. Values realized from exploration and evaluation assets may be substantially different from carrying values as recorded in these financial statements.

These consolidated financial statements have been prepared on a basis which assumes that the Company will be able to continue its operation as a going concern for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. At December 31, 2014, the Company had not achieved profitable operations, had an accumulated deficit of $9,092,745 (2013 - $5,811,827) since inception, expects to incur further losses as it develops its business and explores its mineral property interest, and will be required to raise additional financing to maintain its operations, all of which indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The ability of the Company to carry out its planned business objectives and continue as a going concern is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow from its mineral property interest. There can be no assurances that the Company will be able to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows from its future operations. If the Company is unable to obtain adequate additional financing, the Company would be required to curtail its planned operations and exploration and development activities which may impact the Company's ability to maintain its mineral property interest.

The consolidated financial statements do not include any adjustments relating to the recorded amounts and classification of assets and liabilities should the Company be unable to continue as a going concern.

2. Significant Accounting Policies

a) Basis of Presentation and Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee effective for the Company's reporting year ended December 31, 2014.

These financial statements include the consolidation of the accounts of the Company's wholly owned subsidiaries Isortoq Holdings and Thule Holdings and thus are referred to as consolidated financial statements. All intercompany balances and transactions have been eliminated.

The consolidated financial statements were authorized for issue by the Board of Directors on April 23, 2015.

b) Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis.

c) Foreign Currency Translation

These consolidated financial statements are presented in Canadian dollars. The functional currency and presentation currency of the Company is the Canadian dollar. Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate in effect at the financial statement date. Exchange gains or losses arising on translations are recognized in profit and loss for the reporting period.

d) Use of Judgments and Estimates

The following are the critical judgments and estimates that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Critical Judgments

The preparation of our consolidated financial statements requires us to make judgments regarding the Company's ability to continue as a going concern as discussed in note 1.

Key Sources of Estimation Uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. Significant estimates made by management affecting the Company's consolidated financial statements include:

2. Significant Accounting Policies - *Continued*

d) Use of Estimates and Judgments – *Continued*

Key Sources of Estimation Uncertainty – *Continued*

Share-based compensation

The Company measures its share based compensation expense by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures. The value of the share based compensation expense for the years ended December 31, 2014 and 2013 along with the assumptions and model used for estimating fair value for share based compensation transactions are disclosed in note 5.

Deferred tax assets and liabilities

The measurement of the deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of deferred taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company's deferred tax assets and tax provisions could be affected.

Useful life of equipment

Each significant component of an item of equipment is depreciated over its estimated useful life. Estimated useful lives are determined based on current facts and past experience, and take into consideration the anticipated physical life of the asset, and the potential for technological obsolescence.

2. Significant Accounting Policies - *Continued*

d) Use of Estimates and Judgments – *Continued*

Key Sources of Estimation Uncertainty – *Continued*

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets do not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development and upon future profitable production or proceeds from the disposition of the mineral property interests themselves. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its mineral property interests or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

e) Financial instruments

i) Non-derivative financial assets

The Company initially recognizes loans and receivables and deposits on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the financial instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Non-derivative financial assets are classified into one of the following categories:

Loans and receivables

The Company has designated its cash and cash equivalents, other receivables and GST recoverable as loans and receivables.

2. Significant Accounting Policies - *Continued*

e) Financial instruments – *Continued*

i) Non-derivative financial assets – *Continued*

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less at the date of acquisition. The Company holds cash and cash equivalents with a large Canadian bank that has a strong credit rating.

Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch, the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy or the financial asset contains one or more embedded derivatives. Upon initial recognition attributable transaction costs are recognized in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.

The Company does not have any financial assets at fair value through profit and loss.

Held-to-maturity financial assets

If the Company has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

The Company does not have any held-to-maturity financial assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. They are measured at fair value and changes therein, other than impairment losses and foreign currency differences on available-for-sale debt instruments, are recognized in other comprehensive income and presented within equity in accumulated other comprehensive income. When an investment is derecognized, the cumulative gain or loss in other comprehensive income is transferred to profit or loss. The Company does not have any available-for-sale financial assets.

2. Significant Accounting Policies - *Continued*

e) Financial instruments – *Continued*

ii) Non-derivative financial liabilities

The Company's non-derivative financial liabilities include its accounts payable and accrued liabilities, which are designated as other liabilities.

All financial liabilities are recognized initially at fair value plus any directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Subsequent to initial recognition, the Company's financial liabilities are measured at amortized cost using the effective interest method.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

iii) Share capital

Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Flow through common shares

Canadian tax legislation permits a company to issue flow-through common shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company.

Upon issuance of flow-through common shares, the fair value of the common shares is recorded as an increase in share capital. Any difference (premium) between the amounts recognized in share capital and the amount paid by the investor is recognized as a flow-through share liability and is subsequently recognized in earnings at the time the flow-through expenditures have been incurred.

When flow-through expenditures have been incurred and it is the Company's intent to renounce such expenditures, the Company records the tax effect of the temporary difference arising as a charge to profit or loss and an increase to deferred income tax liabilities. To the extent that the Company has deferred income tax assets that were not recognized in previous periods, a deferred income tax recovery is recorded as an offsetting recovery in profit or loss.

f) Equipment

i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

2. Significant Accounting Policies - *Continued*

f) Equipment – *Continued*

i) Recognition and measurement

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment, and are recognized net within other income in profit or loss.

ii) Subsequent costs

The cost of replacing an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced item is derecognized. The costs of the day-to-day servicing of the property and equipment are expensed.

iii) Depreciation

Depreciation is calculated over the cost of an asset less its residual value. Depreciation is provided on a declining balance method at rates designed to depreciate the cost of the equipment over the estimated useful lives. The annual amortization rates are as follows:

Computer equipment	30%
Office furniture and equipment	20%
Field Equipment	20%

Depreciation of leasehold improvements is calculated straight-line over the term of the lease.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

g) Exploration and evaluation assets

Mineral property acquisition costs and related exploration costs, including option payments, are capitalized on an individual area of interest basis until the properties are brought into production, at which time they will be amortized on a unit-of-production basis, or until the properties are abandoned, sold or management determines that the mineral property is not economically viable, at which time the unrecoverable deferred costs are written off. Option payments arising on the acquisition of mineral property interests exercisable at the discretion of the Company are recognized as paid or payable.

Mineral property acquisition costs include cash consideration and the estimated fair value of common shares or warrants on the date of issue as provided under the agreed terms of acquisition for the mineral property interest.

2. Significant Accounting Policies - *Continued*

g) Exploration and evaluation assets – *Continued*

Capitalized exploration and evaluation costs are those directly attributable costs related to the search for, and evaluation of, mineral resources, that are incurred after the Company has obtained the legal rights to explore a specific area and before the technical feasibility and commercial viability of a mineral reserve are demonstrable. Any costs incurred prior to obtaining the right to explore a mineral property are expensed as incurred as project evaluation expense in the statement of comprehensive loss.

Management reviews the carrying value of capitalized exploration and evaluation assets each reporting period for indications of impairment. Exploration and evaluation assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where information is available, and conditions suggest impairment, the fair value of the mineral property is determined using the estimated net cash flows for the mineral property taking into account proven and probable reserves and resources, estimated future prices and operating, capital and reclamation costs. In the case of undeveloped projects, there may be only inferred or indicated resources to form a basis for the impairment review. In such cases, the impairment review is based on the exploration and evaluation results to-date and a status report regarding the Company's intentions for development of the mineral property.

Recovery of the resulting carrying value of exploration and evaluation assets depends on the successful development or sale of the undeveloped project. If a project does not prove viable, all non-recoverable costs associated with the project are written off.

Once an economically viable reserve has been determined for a property and the decision to proceed with development has been approved, acquisition, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to construction in progress within property and equipment.

The amount presented, if any, for exploration and evaluation assets represents costs incurred to date and does not necessarily reflect present or future values.

h) Impairment

i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

2. Significant Accounting Policies - *Continued*

h) Impairment - *Continued*

ii) Non-financial assets

At each reporting date the carrying amounts of the Company's long-lived assets, which are comprised of equipment and capitalized exploration and evaluation costs associated with mineral properties, are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use, which is the present value of future cash flows expected to be derived from the asset or its related cash generating unit. For purposes of impairment testing, assets are grouped at the lowest levels that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The Company's cash generating unit relates to the property being explored in Greenland.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the associated assets are reduced to their recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment charge is reversed through profit or loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of any applicable depreciation, if no impairment loss had been recognized.

i) Stock-based compensation

The grant date fair value of share-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date.

Share-based payment arrangements in which the Company receives property or services as consideration for its own equity instruments are accounted for as equity settled share-based payment transactions. If the fair value of the property or service received cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the property or service.

2. Significant Accounting Policies - *Continued*

j) Restoration, rehabilitation, and environmental costs

An obligation to incur rehabilitation and site restoration costs arises when an environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. The Company is required to record as a liability the estimated present value of future cash flows associated with the statutory, contractual, constructive or legal obligations related to site restoration and rehabilitation when the liability is incurred, with a corresponding increase to the carrying value of the related assets.

The Company has no material restoration, rehabilitation or environmental liabilities as the disturbance to date is minimal.

k) Income Taxes

Income tax expense comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the reporting date. As the Company is in a loss position there is no current tax payable.

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

l) Loss per Common Share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per common share is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options and warrants and assumes the receipt of proceeds upon exercise of the dilutive securities to determine the number of shares assumed to be purchased at the average market price during the period.

2. Significant Accounting Policies - *Continued*

m) Segment Reporting

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties. The Company's project is located in Greenland as identified in Note 9. All other assets are held within Canada.

n) Changes in Accounting Standards

(i) New standards effective in the current year

There were no new standards effective January 1, 2014 that had an impact on the Company's consolidated financial statements.

(ii) New standards and interpretations yet to be adopted:

A number of new standards, amendments to standards and interpretations, are not yet effective for the year ended December 31, 2014, and have not been applied in preparing these financial statements. None of these standards are expected to have a significant effect on the consolidated financial statements of the Company, except potentially IFRS 9 Financial Instruments.

IFRS 9, Financial Instruments (”IFRS 9”) will replace IAS 39, Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 will replace the multiple classification and measurement models in IAS 39 with a single model that has only two classification categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39, provides guidance on the classification and measurement of financial liabilities and provides a new general hedge accounting standard.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company does not intend to adopt IFRS 9 in its consolidated financial statements for the annual period beginning on January 1, 2015. While the Company does not expect IFRS 9 to have a material impact on the consolidated financial statements a further assessment will be required based on the Company's financial instruments at the time of adoption.

(Amounts are expressed in Canadian Dollars)

3. Equipment

	Furniture & Equipment	Computer Hardware	Field Equipment	Leasehold Improvements	Total
Cost at December 31, 2013	**$ 32,314**	**$ 3,149**	**$ 1,874**	**$ 29,256**	**$ 66,593**
Additions	**-**	**-**	**-**	**-**	**-**
Cost at December 31, 2014	**32,314**	**3,149**	**1,874**	**29,256**	**66,593**
Accumulated depreciation at December 31, 2013	**12,916**	**1,876**	**624**	**14,362**	**29,778**
Depreciation	**3,880**	**382**	**250**	**6,383**	**10,895**
Accumulated depreciation at December 31, 2014	**16,796**	**2,258**	**874**	**20,745**	**40,673**
Net book value at December 31, 2014	**$ 15,518**	**$ 891**	**$ 1,000**	**$ 8,511**	**$ 25,920**

	Furniture & Equipment	Computer Hardware	Field Equipment	Leasehold Improvements	Total
Cost at December 31, 2012	$ 32,314	$ 3,149	$ 1,874	$ 29,256	$ 66,593
Additions	-	-	-	-	-
Cost at December 31, 2013	32,314	3,149	1,874	29,256	66,593
Accumulated depreciation at December 31, 2012	8,067	1,330	312	7,979	17,688
Depreciation	4,849	546	312	6,383	12,090
Accumulated depreciation at December 31, 2013	12,916	1,876	624	14,362	29,778
Net book value at December 31, 2013	$ 19,398	$ 1,273	$ 1,250	$ 14,894	$ 36,815

(Amounts are expressed in Canadian Dollars)

4. Exploration and Evaluation Assets

	December 31, 2014			December 31, 2013		
	Acquisition Costs	**Deferred Exploration**	**Total**	Acquisition Costs	Deferred Exploration	Total
Exploration and Evaluation Assets						
Greenland Property						
Balance, beginning of year	**2,339,778**	**187,594**	**2,527,372**	2,339,778	111,444	2,451,222
Camp costs	**-**	**-**	**-**	-	8,833	8,833
Claims and staking	**-**	**45,613**	**45,613**	-	-	-
Diamond Drilling	**-**	**-**	**-**	-	9,669	9,669
Analytical and sampling	**-**	**30,518**	**30,518**	-	23,425	23,425
Consulting	**-**	**78,000**	**78,000**	-	34,223	34,223
Travel and accomodations	**-**	**4,814**	**4,814**	-	-	-
Balance, end of year	**2,339,778**	**346,539**	**2,686,317**	2,339,778	187,594	2,527,372
Fraser Bay						
Balance, beginning of year	**$ 774,420**	**$ 2,184,971**	**$ 2,959,391**	$ 774,420	$ 2,147,745	$ 2,922,165
Acquisition costs	**22,000**	**-**	**22,000**	-	70	70
Camp costs	**-**	**10,874**	**10,874**	-	4,685	4,685
Consulting	**-**	**8,400**	**8,400**	-	28,331	28,331
Travel and accomodations	**-**	**-**	**-**	-	1,380	1,380
Trenching	**-**	**-**	**-**	-	2,760	2,760
Write-offs	**(796,420)**	**(2,204,245)**	**(3,000,665)**	-	-	-
Balance, end of year	**-**	**-**	**-**	774,420	2,184,971	2,959,391
Total	**$ 2,339,778**	**$ 346,539**	**$ 2,686,317**	$ 3,114,198	$ 2,372,565	$ 5,486,763

4. Exploration and Evaluation Assets – *Continued*

Greenland Agreement

The Isortoq Property is located in south Greenland, approximately 100 kilometres west of the Narsarsuaq International Airport, and consists of four licenses issued by the Greenland Bureau of Minerals and Petroleum (the "Licenses"). The Isortoq Property contains a mineralized geological feature that is being evaluated for its potential to host an economic deposit of iron, titanium and vanadium.

Pursuant to the Greenland Agreement, as subsequently amended by the parties to the agreement, Hunter Minerals Pty Ltd. ("HMP"), an arm's length foreign entity, agreed to sell to the Company, and the Company agreed to purchase the Isortoq Property. During the year ended December 31, 2011 the Company paid a non-refundable deposit of US $400,000 to HMP on signing of the Greenland Agreement. In accordance with the amendments to the Greenland Agreement, during the year ended December 31, 2012 the Company paid $832,875 (being 15% of the gross proceeds raised by the Company's initial public offering ("IPO")), issued 1,007,800 units, with each unit comprising one common share and one common share purchase warrant, and made a payment of US $250,000. Each common share purchase warrant issued to HMP is exercisable into one common share for a period of five years at $0.50 per common share.

On November 15, 2013 the Company and HMP executed an amending deed to the Greenland Agreement whereupon signing, HMP agreed to transfer the Isortoq Project licenses to the Company in exchange for a future payment of US $1.4 million. On June 20, 2014, the Company and HMP executed a final amending deed to the Greenland Agreement whereupon signing, the US $1.4 million final payment as well as a previously agreed Royalty Agreement were cancelled.

The project area was reduced by 109 square kilometers by dropping license EL#2012-35 in 2013. No field work was conducted on the Isortoq Property during the year ended December 31, 2014, but an initial phase of metallurgical work was completed at the CSIRO in Perth, Australia. Five separate leach tests were conducted using three different acid systems in order to establish the leaching characteristics of the Isortoq concentrate.

On February 6, 2015 the Mineral Licence and Safety Authority of Greenland approved the legal transfer of Exploration Licences 2009/15 and 2009/35 from HMP to West Melville. The Company owns 100% of the Isortoq Property clear of any third party royalties.

4. Exploration and Evaluation Assets – *Continued*

Fraser Bay Option Agreement

The Fraser Bay Iron Property ("Fraser Bay Project") covers 3,228 acres and consists of a single mineral lease along the central western coast of the Melville Peninsula, located in Nunavut Territory, Canada. The mineral lease is wholly-owned by Roche Bay PLC ("Roche Bay").

Pursuant to the Fraser Bay Option Agreement as amended by the parties to the agreement, Roche Bay granted the Company an option to acquire up to an undivided 70% right, title and interest in the Fraser Bay Project, as follows:

In order to acquire an initial undivided 30% interest in and to the Fraser Bay Project (the "First Option"), the Company completed certain requirements. The remaining requirements to complete the First Option include:

i) Issue to Roche Bay such number of common shares as is equal to 5% of the issued and outstanding common shares of the Company on the date of issuance, with the number of common shares issued not to exceed an aggregate of 7,000,000 common shares, on or before December 1, 2014; and

ii) Incur an aggregate of $2,500,000 in exploration expenditures no later than December 1, 2014, which exploration expenditures shall include a minimum of 1,200 metres of drilling.

In consideration for granting extensions for the completion of the First Option, the Company issued 200,000 common shares to Roche Bay on February 14, 2014.

On December 1, 2014 the Company decided to terminate the Fraser Bay Option Agreement. As such, the Fraser Bay Project exploration and evaluation assets have been written off in 2014 and no further amounts are payable by the Company in respect of the Fraser Bay Option Agreement.

Project Evaluation

During the year ended December 31, 2014, the Company incurred project evaluation expenses of $69,075 to assess potential new projects including the Alex Copper Property in Mexico. As the Company has not acquired the legal rights to explore any of these potential new projects or has decided not to pursue the potential projects, project evaluation costs have been expensed as incurred.

5. Share Capital

Authorized Share Capital

At December 31, 2014, the authorized share capital comprised an unlimited number of common shares without par value.

Issued Share Capital

Private Placement - 2014

On August 28, 2014, the Company closed the second tranche of a non-brokered private placement consisting of 1,120,000 units at a price of $0.05 per unit for gross proceeds of $56,000.

On July 31, 2014, the Company closed the first tranche of a non-brokered private placement consisting of 4,880,000 units at a price of $0.05 per unit for gross proceeds of $244,000.

Each unit consisted of one common share and one common share purchase warrant. Each common share purchase warrant may be exercisable into one common share for a period of three years from closing at a price of $0.15 per share. The securities were subject to a four month hold period.

Share issuance costs included 124,600 shares and 124,600 finder's warrants with the same terms as the warrants issued under the private placement. The finder's warrants have a fair value of $3,912. The Company is using the proceeds of this private placement to conduct metallurgical test work on the Isortoq Property and for general working capital purposes.

Other Share Issuance – 2014

On February 14, 2014, the Company issued 200,000 common shares with a fair value of $22,000 in relation to an extension of the Fraser Bay Option Agreement (note 4).

Private Placement – 2013

On May 28, 2013, the Company closed a non-brokered private placement consisting of 10,450,000 units at a price of $0.05 per unit for gross proceeds of $522,500. Each unit consisted of one common share and one common share purchase warrant. Each common share purchase warrant is exercisable into one common share for a period of two years from closing at a price of $0.20 per share subject to the Company's right to accelerate the exercise of the warrants if the daily volume weighted average trading price of the common shares of the Company on the Exchange is equal to or exceeds $0.30 for a period of 10 consecutive trading days during the term of the warrant, commencing four months after the date the warrants are issued. The securities were subject to a four month hold period.

Share issuance costs included $23,250 cash commission and 345,000 finder's warrants with a fair value of $13,788. Each finder's warrant is exercisable at a price of $0.20 per share for a period of two years from closing, May 28, 2013.

(Amounts are expressed in Canadian Dollars)

5. Share Capital – *Continued*

Issued Share Capital – *Continued*

Escrowed Securities and Resale Restrictions

Pursuant to an escrow agreement dated February 22, 2012, the Company's directors and executive officers and certain other shareholders (collectively the "Principals") agreed to deposit in escrow the 10,353,800 common shares held by them prior to the IPO. The escrow agreement provides that the escrowed common shares will be released from escrow as to 70% on the date which is two years from the initial Listing Date of July 23, 2012 and the remaining securities in equal blocks of 15% at six month intervals thereafter. In addition to the common shares deposited in escrow prior to the IPO, 1,007,800 Units issued subsequent to the IPO as part of the acquisition of the Isortoq Property in Greenland are subject to the same escrow terms. As of December 31, 2014, 3,408,480 common shares (December 31, 2013 – 11,361,600 common shares) remained in escrow in accordance with the escrow agreement.

In addition to the two year hold period described above, 11,750,000 common shares held by non-Principals are subject to resale restrictions in accordance with the policies of the Exchange, as follows: 2,245,000 are subject to a three year restriction with 10% released on the Listing Date and 15% every six months thereafter; 750,000 are subject to a two year restriction with 20% released on the Listing Date and 20% each six months thereafter; and 8,755,000 common shares subject to a four month hold period pursuant to which 20% will be released on the Listing Date and 20% each month thereafter. As of December 31, 2014, 673,500 common shares (2013 – 1,647,000 common shares) remained subject to the resale restrictions.

Warrants

Details of outstanding warrants are as follows:	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, December 31, 2012	1,657,163	$ 0.50
Issued	10,795,000	0.20
Outstanding warrants, December 31, 2013	12,452,163	0.24
Issued	6,124,600	0.15
Expired	(649,363)	0.50
Outstanding warrants, December 31, 2014	**17,927,400**	**$ 0.20**

(Amounts are expressed in Canadian Dollars)

5. Share Capital – *Continued*

At December 31, 2014, the Company had outstanding warrants enabling the holders to acquire common shares as follows:

Expiry Date	Weighted Average Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life in Years
May 28, 2015	$0.20	10,795,000	0.41
August 3, 2017	$0.50	1,007,800	2.59
July 29, 2017	$0.15	5,004,600	2.59
August 28, 2017	$0.15	1,120,000	2.66
Weighted average exercise price and remaining contractual life	**$0.20**	**17,927,400**	**1.28**

The fair value of finders warrants issued during the 2014 year was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Estimated risk-free rate	1.25%
Expected volatility	139%
Estimated dividend yield	0.0%
Expected life of warrants	3 years
Share price	$0.04-$0.05

The fair value of warrants issued during the 2013 year was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Estimated risk-free rate	1.02%
Expected volatility	136%
Estimated dividend yield	0.0%
Expected life of warrants	2 years
Share price	$0.08

Stock Options

Under the Company's stock option plan, the board of directors may grant options for the purchase of up to 10% of the total number of issued and outstanding common shares of the Company. Options granted under the plan vest over time at the discretion of the board of directors and expire no later than ten years from the date of issuance. Exercise prices on options granted under the plan cannot be lower than the market price of one common share on the last trading day immediately preceding the day on which the option is granted, less the maximum applicable discount permitted by the Exchange.

(Amounts are expressed in Canadian Dollars)

5. Share Capital – *Continued*

***Stock Options** – Continued*

The changes in stock options issued are as follows:

	Number	Weighted Average Exercise Price
Outstanding December 31, 2012	3,265,000	$0.50
Expired / cancelled without exercise	(325,000)	0.50
Outstanding December 31, 2013	2,940,000	$0.50
Issued	2,675,000	0.05
Expired / cancelled without exercise	(375,000)	0.50
Outstanding December 31, 2014	**5,240,000**	**$0.27**

At December 31, 2014, the following stock options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of Options	Vested and Exercisable Number of Options	Weighted Average Remaining Life in Years
February 23, 2022	$0.50	2,565,000	2,565,000	7.15
December 3, 2019	$0.05	2,675,000	2,675,000	4.93
Weighted average exercise price and remaining contractual life	**$0.27**	**5,240,000**	**5,240,000**	**6.02**

The fair value of stock options issued during the 2014 year was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Estimated risk-free rate	1.60%
Expected volatility	150.1%
Estimated dividend yield	0.0%
Expected life of options	5 years
Share price	$0.01

For all valuation models, the risk-free rate of return is the yield on a zero-coupon Canadian Treasury Bill of a term consistent with the assumed option life. The expected volatility is based on the Company's historical prices. The expected average option life and expected forfeitures are based on management's best estimate of the Company's options. During the year ended 2014, stock based compensation expense of $21,761 (2013 - $500,086) was recognized in relation to the stock options previously granted. The weighted average fair value of the options granted during the year ended December 31, 2014 was $0.01 per stock option.

6. Financial Risk Management

Fair value of financial assets and liabilities

The fair value of the Company's cash and cash equivalents, other receivables, GST recoverable and accounts payable and accrued liabilities approximate their carrying value which is the amount recorded on the consolidated statement of financial position due to their short term to maturity.

6. Financial Risk Management - *Continued*

Fair value hierarchy

Financial instruments measured at fair value are categorized within a three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value of financial instruments. The three levels of the fair value hierarchy are as follows:

Level 1 - unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, for substantially the full contractual term.

Level 3 - Inputs for the asset or liability are not based on observable market data.

The Company has no financial assets or financial liabilities measured in the statement of financial position at fair value or included in Levels 2 or 3 of the fair value hierarchy.

Overview

The Company has exposure to credit risk, liquidity risk and market risk from its use of financial instruments.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents, other receivables and GST recoverable. Management believes that the credit risk concentration with respect to financial instruments included in cash and cash equivalents, and GST recoverable is remote as they relate to deposits and interest from a major financial institution and GST recoverable from the Government of Canada. The maximum credit risk as at December 31, 2014 was $73,563 (December 31, 2013 - $200,744).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations and commitments as they become due. The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. Management believes that the Company has sufficient funds to meet its obligations as they become due or will be able to obtain financing as required to meet its obligations and commitments (see also note 1).

6. Financial Risk Management - *Continued*

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and commodity and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company does not currently have any significant interest or equity price risk as it has no significant interest bearing financial instruments nor does it hold any investments in equities of another entity.

Foreign currency risk

In the normal course of business, the Company enters into transactions for the purchase of supplies and services and acquisition of mineral properties, denominated in a currency other than the functional currency of the Company. As a result, the Company is subject to foreign exchange risk from fluctuations in foreign exchange rates. The Company has not entered into any derivative or other financial instruments to mitigate this foreign exchange risk. The Company does not have any significant currency risks associated with its financial instruments at December 31, 2014.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can provide returns and benefits for shareholders and advance the exploration of its mineral properties.

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, comprising share capital and contributed surplus, net of accumulated deficit. The Company depends on external financing to fund its activities and may issue new equity instruments to maintain its capital structure. The Company manages its capital structure through the preparation of operating budgets, which are approved by the Board of Directors.

There were no changes in the Company's approach to capital management during the year ended December 31, 2014.

The Company is not subject to any externally imposed capital requirements.

(Amounts are expressed in Canadian Dollars)

7. Related Party Transactions

Key management personnel compensation

Key management personnel consist of the Company's directors and officers. In addition to management and consulting fees paid to these individuals, or companies controlled by these individuals, the Company provides non-cash benefits to an executive officer. The aggregate value of compensation with key management personnel for the year ended December 31, 2014 was $212,662 (2013 - $521,485) and was comprised of the following:

		Year ended December 31, 2014		Year ended December 31, 2013
Wages, salaries and consulting fees	$	**187,098**	$	213,880
Share-based compensation		**18,304**		298,661
Non-cash benefits		**7,260**		8,944
	$	**212,662**	$	521,485

Related party transactions and balances not disclosed elsewhere in these financial statements are as follows:

During the year period ended December 31, 2014, the Company reimbursed $14,485 of office expenses and salaries incurred by a company controlled by directors of the Company (2013 - $80,975).

During the year period ended December 31, 2014, the Company reimbursed companies with common directors and key management $20,296 for salaries, consulting and office costs incurred on behalf of the Company (2013 - $18,381).

The balance receivable from related parties at December 31, 2014 was $11,038 (December 31, 2013 - $11,038).

The balance payable to related parties at December 31, 2014 was $2,137 (December 31, 2013 - $12,188) and is included in accounts payable and accrued liabilities. These payables are unsecured, non-interest bearing and are expected to be repaid under normal trade terms.

The amounts charged to the Company for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

(Amounts are expressed in Canadian Dollars)

8. Income taxes

The income tax provision recorded differs from the income tax obtained by applying the statutory income tax rate of 27.0% (2013 - 27.0%) to the income for the year and is reconciled as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Net loss for the period	**$ (3,280,918)**	$ (979,787)
A reconciliation of income taxes at Canadian Statutory rate of	**27.00%**	27.00%
Expected tax recovery	**(885,848)**	(264,542)
Non-deductible (deductible expenses)		
Permanent and other differences	**5,798**	132,804
Tax benefits not recognized	**880,050**	131,738
Income tax expenses (recovery)	**$ -**	$ -

At December 31, 2014, the Company had estimated net operating losses carried forward of approximately $2,445,000 in Canada (2013- $2,158,000) (expiring in 2031 to 2034) available to reduce future taxable income. In addition to its loss carry-forwards, the Company has deductible temporary differences of approximately $4,165,000 (2013 - $1,192,000) relating primarily to exploration and evaluation costs, available to reduce future taxable income. Tax attributes are subject to review and potential adjustment by tax authorities.

The tax effects on the temporary differences that give rise to the Company's unrecognized deferred tax assets and liabilities are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Non capital and capital loss carry forward	**$660,059**	$582,680
Exploration and evaluation costs	**1,130,189**	302,276
Issuance costs	**57,402**	85,585
Equipment	**10,981**	8,040
Deferred Income Tax Asset not recognized	**$1,858,631**	$978,581

The future income tax rate that is estimated to be applicable when the temporary differences reverse is estimated to be 27% in Canada and 30% in Greenland.

(Amounts are expressed in Canadian Dollars)

9. Segmented Information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. All of the Company's operations are within the mineral exploration sector and the Company's operations are segmented by the location of its mineral properties.

As at December 31, 2014 and for the year ended December 31, 2014

		Canada		Greenland		Total
Current assets	**$**	**75,937**		**-**	**$**	**75,937**
Equipment		**25,920**		**-**		**25,920**
Exploration and evaluation assets		**-**		**2,686,317**		**2,686,317**
Total Assets	**$**	**101,857**	**$**	**2,686,317**	**$**	**2,788,174**
Total Liabilities	**$**	**26,238**		**-**	**$**	**26,238**
Project evaluation expenses		**69,075**		**-**		**69,075**
Other expenses		**3,211,843**		**-**		**3,211,843**
Net Loss	**$**	**3,280,918**	**$**	**-**	**$**	**3,280,918**

As at December 31, 2013

		Canada		Greenland		Total
Current assets	$	203,312	$	-	$	203,312
Equipment		36,815		-		36,815
Exploration and evaluation assets		2,959,391		2,527,372		5,486,763
Total Assets	$	3,199,518	$	2,527,372	$	5,726,890
Total Liabilities	$	26,817	$	980	$	27,797
Project evalation expenses	$	89,477	$	-	$	89,477
Other expenses		890,310		-		890,310
Net Loss	$	979,787	$	-	$	979,787