WESTMELVILLE
METALS INC.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2015 and 2014

In Canadian Dollars

Unaudited – Prepared by Management

Notice of Non-review of Condensed Consolidated Interim Financial Statements

The attached condensed consolidated interim financial statements for the six month periods ended June 30, 2015 and 2014 have been prepared by and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements.

West Melville Metals Inc.

(An Exploration Stage Company)

Condensed Consolidated Statements of Financial Position

(Amounts are expressed in Canadian Dollars)
Unaudited – Prepared by Management

ASSETS	***Notes***		**As at June 30, 2015**		As at December 31, 2014
Current					
Cash and cash equivalents		**$**	**2,396**	$	59,604
Other receivables	7		**11,038**		11,038
GST recoverable			**1,031**		2,921
Prepaid expenses			**3,919**		2,374
			18,384		75,937
Equipment	3		**-**		25,920
Exploration and Evaluation Assets	4		**2,719,689**		2,686,317
			2,719,689		2,712,237
		$	**2,738,073**	$	2,788,174
LIABILITIES					
Current					
Accounts payable and accrued liabilities	7	**$**	**69,518**	$	26,238
SHAREHOLDERS' EQUITY					
Share Capital	5		**9,832,270**		9,832,270
Contributed Surplus			**2,022,411**		2,022,411
Deficit			**(9,186,126)**		(9,092,745)
Total Shareholders' Equity			**2,668,555**		2,761,936
		$	**2,738,073**	$	2,788,174

Nature of operations and going concern *(Note 1)*

APPROVED ON August 19, 2015 ON BEHALF OF THE BOARD:

"Rory Moore" ______________, President, CEO and Director

"Jim Paterson" ______________, Director

West Melville Metals Inc.
(An Exploration Stage Company)
Condensed Consolidated Statements of Comprehensive Loss
(Amounts are expressed in Canadian Dollars)
Unaudited – Prepared by Management

		Three month periods ended June 30		Six month periods ended June 30	
	Notes	**2015**	2014	**2015**	2014
Expenses					
Advertising and promotion		**$ 928**	$ 2,977	**2,348**	$ 6,953
Consulting		**-**	-	**400**	-
Corporate listing and filing fees		**11,130**	3,673	**20,472**	11,488
Depreciation	3	**2,488**	2,723	**4,977**	5,447
Office and administration		**1,616**	2,713	**3,860**	6,270
Personnel		**1,257**	19,979	**9,328**	44,779
Project evaluation	4	**-**	40,039	**9,710**	63,778
Professional fees		**525**	10,597	**21,690**	37,147
Rent		**(4,695)**	2,121	**(2,742)**	4,059
Travel and conferences		**-**	1,488	**2,309**	6,374
Loss before the undernoted		**(13,249)**	(86,310)	**(72,352)**	(186,295)
Other income (expenses)					
Interest income		**-**	484	**57**	484
Interest expense		**(143)**	-	**(143)**	(280)
Write-off of equipment	3	**(20,943)**	**-**	**(20,943)**	-
Loss and comprehensive loss for the period		**$ (34,335)**	$ (85,826)	**(93,381)**	$ (186,091)
Basic and diluted loss per common share		**$ (0.01)**	$ (0.02)	**(0.02)**	$ (0.04)
Weighted average number of common shares outstanding		**5,260,545**	4,648,085	**5,260,545**	4,642,450

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

West Melville Metals Inc.

(An Exploration Stage Company)

Condensed Consolidated Statement of Changes in Equity

(Amounts are expressed in Canadian Dollars)
Unaudited – Prepared by Management

	Share Capital				
	Number of shares	Amount	Contributed surplus	Deficit	Total shareholders' equity
Balance, December 31, 2013	4,628,085	$ 9,514,182	$ 1,996,738	$ (5,811,827)	$ 5,699,093
Share issuance - property acquisition	20,000	22,000	-	-	22,000
Loss for the period	-	-	-	(186,091)	(186,091)
Balance, June 30, 2014	4,648,085	9,536,182	1,996,738	(5,997,918)	5,535,002
Private placements – non-flow-through	600,000	300,000	-	-	300,000
Share issuance costs - shares	12,460	-	-	-	-
Share issuance costs - warrants	-	(3,912)	3,912	-	-
Stock-based compensation	-	-	21,761	-	21,761
Loss for the period	-	-	-	(3,094,827)	(3,094,827)
Balance, December 31, 2014	5,260,545	9,832,270	2,022,411	(9,092,745)	2,761,936
Loss for the period	-	-	-	(93,381)	(93,381)
Balance, June 30, 2015	**5,260,545**	**$ 9,832,270**	**$ 2,022,411**	**$ (9,186,126)**	**$ 2,668,555**

West Melville Metals Inc.
(An Exploration Stage Company)
Condensed Consolidated Statements of Cash Flows
(Amounts are expressed in Canadian Dollars)
Unaudited – Prepared by Management

	Notes	Three month periods ended June 30 2015	Three month periods ended June 30 2014	Six month periods ended June 30 2015	Six month periods ended June 30 2014
Cash Flows used in Operating Activities					
Net loss for the period		$ **(34,335)**	$ (85,826)	$ **(93,381)**	$ (186,091)
Adjustments for:					
Depreciation		**2,488**	2,723	**4,977**	5,447
Interest income		**-**	(484)	**(57)**	(484)
Interest expense		**143**	-	**143**	280
Write-off of equipment		**20,943**	-	**20,943**	-
Changes in non-cash working capital components:					
GST recoverable		**1,941**	28	**1,890**	(877)
Prepaid expenses		**(3,582)**	(5,722)	**(1,545)**	(3,542)
Accounts payable and accrued liabilities		**3,898**	21,938	**29,378**	54,584
		(8,504)	(67,343)	**(37,652)**	(130,683)
Interest received		**-**	484	**57**	484
Interest paid		**(143)**	-	**(143)**	(280)
		(8,647)	(66,859)	**(37,738)**	(130,479)
Cash Flows used in Investing Activities					
Exploration and evaluation expenditures	4	**283**	(32,052)	**(19,470)**	(46,406)
Net Decrease in Cash and Cash Equivalents		**(8,364)**	(98,911)	**(57,208)**	(176,885)
Cash and cash equivalents - beginning of period		**10,760**	107,759	**59,604**	185,733
Cash and cash equivalents - end of period		$ **2,396**	$ 8,848	$ **2,396**	$ 8,848

Supplemental Schedule of Non-Cash Investing Activities	June 30, 2015	June 30, 2014
Change in accounts payable related to exploration and evaluation assets	**13,902**	1,186

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 company involved in the acquisition and exploration of resource properties. The Company is evaluating the economic potential of a deposit of iron, titanium and vanadium in Greenland.

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 condensed 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 June 30, 2015, the Company had not achieved profitable operations, had an accumulated deficit of $9,186,126 (December 31, 2014 - $9,092,745) 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 condensed 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.

(Amounts are expressed in Canadian Dollars)

2. Significant Accounting Policies, Basis of Presentation and Principles of Consolidation

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies followed in these condensed consolidated interim financial statements are the same as those applied in the Company's most recent annual financial statements for the year ended December 31, 2014. The condensed interim consolidated financial statements do not include all of the information required for full annual financial statements.

The policies applied in these condensed consolidated interim financial statements are based on IFRS issued and outstanding as of August 19, 2015, the date the Board of Directors approved the statements.

During the six month period ended June 30, 2015, the Company wound up its two wholly owned inactive subsidiaries Isortoq Holdings and Thule Holdings. These consolidated financial statements include the accounts of the Company's wholly owned subsidiaries until March 31, 2015. All intercompany balances and transactions have been eliminated upon consolidation.

3. Equipment

	Furniture & Equipment	Computer Hardware	Field Equipment	Leasehold Improvements	Total
Cost at December 31, 2014	**$ 32,314**	**$ 3,149**	**$ 1,874**	**$ 29,256**	**$ 66,593**
Current period disposals	**(32,314)**	**(3,149)**	**(1,874)**	**(29,256)**	**(66,593)**
Cost at June 30, 2015	**-**	**-**	**-**	**-**	**-**
Accumulated depreciation at December 31, 2014	**16,796**	**2,258**	**874**	**20,745**	**40,673**
Current period retirements	**(18,348)**	**(2,391)**	**(974)**	**(23,937)**	**(45,650)**
Depreciation	**1,552**	**133**	**100**	**3,192**	**4,977**
Accumulated depreciation at June 30, 2015	**-**	**-**	**-**	**-**	**-**
Net book value at June 30, 2015	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

	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

(Amounts are expressed in Canadian Dollars)

4. Exploration and Evaluation Assets

	June 30, 2015			December 31, 2014		
	Acquisition Costs	**Deferred Exploration**	**Total**	Acquisition Costs	Deferred Exploration	Total
Exploration and Evaluation Assets						
Greenland Property						
Balance, beginning of period	**$ 2,339,778**	**$ 346,539**	**$ 2,686,317**	2,339,778	187,594	2,527,372
Claims and staking	**-**	**22,772**	**22,772**	-	45,613	45,613
Analytical and sampling	**-**	**-**	**-**	-	30,518	30,518
Consulting	**-**	**-**	**-**	-	78,000	78,000
Field work	**-**	**10,600**	**10,600**	-	-	-
Travel and accomodations	**-**	**-**	**-**	-	4,814	4,814
Balance, end of period	**2,339,778**	**379,911**	**2,719,689**	2,339,778	346,539	2,686,317
Fraser Bay						
Balance, beginning of period	**$ -**	**$ -**	**$ -**	$ 774,420	$ 2,184,971	$ 2,959,391
Acquisition costs	**-**	**-**	**-**	22,000	-	22,000
Camp costs	**-**	**-**	**-**	-	10,874	10,874
Consulting	**-**	**-**	**-**	-	8,400	8,400
Write-offs	**-**	**-**	**-**	(796,420)	(2,204,245)	(3,000,665)
Balance, end of period	**-**	**-**	**-**	-	-	-
Total	**$ 2,339,778**	**$ 379,911**	**$ 2,719,689**	$ 2,339,778	$ 346,539	$ 2,686,317

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 six month period ended June 30, 2015.

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

Project Evaluation

During the six month period ended June 30, 2015, the Company incurred project evaluation expenses of $9,710. As the Company has not acquired the legal rights to explore 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 June 30, 2015, the authorized share capital comprised an unlimited number of common shares without par value.

On May 25, 2015, the Company consolidated the Company's issued and outstanding common shares at a ratio of one new share for ten old shares. The Company previously had 52,605,451 common shares outstanding and after the consolidation of its share capital had 5,260,545 outstanding. The Company undertook this consolidation of its capital to facilitate future financings.

Issued Share Capital

Private Placement - 2014

On August 28, 2014, the Company closed the second tranche of a non-brokered private placement consisting of 112,000 units at a price of $0.50 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 488,000 units at a price of $0.50 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 $1.50 per share. The securities were subject to a four month hold period.

Share issuance costs included 12,460 shares and 12,460 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 20,000 common shares with a fair value of $22,000 in relation to an extension of the Fraser Bay Option Agreement.

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 1,035,380 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, 100,780 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 June 30, 2015, 170,424 common shares (December 31, 2014 – 340,848 common shares) remained in escrow in accordance with the escrow agreement.

(Amounts are expressed in Canadian Dollars)

5. Share Capital – *Continued*

Issued Share Capital – Continued

In addition to the two year hold period described above, 1,175,000 common shares held by non-Principals are subject to resale restrictions in accordance with the policies of the Exchange, as follows: 224,500 are subject to a three year restriction with 10% released on the Listing Date and 15% every six months thereafter; 75,000 are subject to a two year restriction with 20% released on the Listing Date and 20% each six months thereafter; and 875,500 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 June 30, 2015, 33,675 common shares (December 31, 2014 – 67,350 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, 2013	1,245,216	$ 2.40
Issued	612,460	1.50
Expired	(64,936)	5.00
Outstanding warrants, December 31, 2014	1,792,740	$ 2.00
Expired	(1,079,500)	2.00
Outstanding warrants, June 30, 2015	**713,240**	**$ 2.00**

At June 30, 2015, 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
July 29, 2017	$1.50	500,460	2.08
August 3, 2017	$5.00	100,780	2.10
August 28, 2017	$1.50	112,000	2.16
Weighted average exercise price and remaining contractual life	**$2.00**	**713,240**	**2.10**

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	$0.40-$0.50

(Amounts are expressed in Canadian Dollars)

5. Share Capital – *Continued*

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.

The changes in stock options issued are as follows:

	Number	Weighted Average Exercise Price
Outstanding December 31, 2013	294,000	$5.00
Issued	267,500	0.50
Expired / cancelled without exercise	(37,500)	5.00
Outstanding June 30, 2015 and December 31, 2014	**524,000**	**$2.70**

At June 30, 2015, 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	$5.00	256,500	256,500	6.66
December 3, 2019	$0.50	267,500	267,500	4.43
Weighted average exercise price and remaining contractual life	**$2.70**	**524,000**	**524,000**	**5.52**

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	$0.10

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. No stock options were granted during the six month period ended June 30, 2015 (2014 – nil) and no stock based compensation expense was incurred (2014 – nil).

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.

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 June 30, 2015 was $14,465 (December 31, 2014 - $73,563).

6. Financial Risk Management - *Continued*

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).

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 June 30, 2015.

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 six month period ended June 30, 2015.

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 six month period ended June 30, 2015 was $29,128 (2014 - $102,939) and was comprised of the following:

		Six month period ended June 30, 2015		Six month period ended June 30, 2014
Wages, salaries and consulting fees	**$**	**26,900**	$	99,660
Non-cash benefits		**2,228**		3,279
	$	**29,128**	$	102,939

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

During the six month period ended June 30, 2015, the Company reimbursed $3,389 of office expenses incurred by a company controlled by a director of the Company (2014 - $4,809).

During the six month period ended June 30, 2015, the Company reimbursed companies with common directors and key management $3,734 for consulting, travel and office costs incurred on behalf of the Company (2014 - $18,357).

The balance receivable from related parties at June 30, 2015 was $11,038 (December 31, 2014 - $11,038).

The balance payable to related parties at June 30, 2015 was $14,601 (December 31, 2014 - $2,137) 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. 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 June 30, 2015 and for the six month period ended June 30, 2015

		Canada		Greenland		Total
Current assets	**$**	**18,384**		**-**	**$**	**18,384**
Exploration and evaluation assets		**-**		**2,719,689**		**2,719,689**
Total Assets	**$**	**18,384**	**$**	**2,719,689**	**$**	**2,738,073**
Total Liabilities	**$**	**40,304**		**29,214**	**$**	**69,518**
Project evaluation expenses		**9,710**		**-**		**9,710**
Other expenses		**83,671**		**-**		**83,671**
Net Loss	**$**	**93,381**	**$**	**-**	**$**	**93,381**

As at 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