

**GREENBANK CAPITAL INC.**

208 Queens Quay West, Suite 2506, Toronto, Ontario, M5J 2Y5

**INFORMATION CIRCULAR  
GENERAL PROXY INFORMATION**

**PURPOSE OF SOLICITATION**

**THIS INFORMATION CIRCULAR (THE “INFORMATION CIRCULAR”) IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF GREENBANK CAPITAL INC. (“GREENBANK” OR THE “CORPORATION”) FOR USE AT THE ANNUAL MEETING OF SHAREHOLDERS (“SHAREHOLDERS”) OF GREENBANK (THE “MEETING”) TO BE HELD ON MARCH 31, 2014 AT 11.40 AM TORONTO TIME, AT THE ALBANY CLUB, 91 KING STREET EAST, TORONTO, ONTARIO, M5C 1G3 AND AT ANY ADJOURNMENT THEREOF FOR THE PURPOSES SET OUT IN THE ACCOMPANYING NOTICE OF MEETING (THE “NOTICE OF MEETING”).** Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors or officers of GreenBank. Arrangements will also be made with brokerage houses and other custodians, nominees, and fiduciaries to forward proxy solicitation material to the beneficial owners of the common shares of the Corporation (the “**Common Shares**”) pursuant to the requirements of National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer. The cost of any such solicitation will be borne by GreenBank.

**VOTING OF PROXIES**

All Common Shares represented at the Meeting by properly executed proxies will be voted and where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the proxy will be voted in accordance with such specifications. **IN THE ABSENCE OF ANY SUCH SPECIFICATIONS, THE MANAGEMENT DESIGNEES OF GREENBANK, IF NAMED AS PROXY, WILL VOTE IN FAVOUR OF ALL THE MATTERS SET OUT HEREIN.**

**THE ENCLOSED INSTRUMENT OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE MANAGEMENT DESIGNEES OF GREENBANK, OR OTHER PERSONS NAMED AS PROXY, WITH RESPECT TO AMENDMENTS TO OR VARIATIONS OF MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND ANY OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING. AT THE DATE OF THIS INFORMATION CIRCULAR, GREENBANK IS NOT AWARE OF ANY AMENDMENTS TO, OR VARIATIONS OF, OR OTHER MATTERS WHICH MAY COME BEFORE THE MEETING. IN THE EVENT THAT OTHER MATTERS COME BEFORE THE MEETING, THE MANAGEMENT DESIGNEES OF GREENBANK INTEND TO VOTE IN ACCORDANCE WITH THE DISCRETION OF SUCH MANAGEMENT DESIGNEES.**

Proxies, to be valid, must be deposited at the proxy department of the Registrar and Transfer Agent of GreenBank, Capital Transfer Agency Inc. , located at Suite 401, 121 Richmond St W, Toronto, ON M5H 2K1 or faxed to (416) 350-5008 not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment of the Meeting.

**APPOINTMENT OF PROXY**

**A SHAREHOLDER HAS THE RIGHT TO DESIGNATE A PERSON (WHO NEED NOT BE A SHAREHOLDER OF GREENBANK) OTHER THAN DANIEL WETTREICH AND MARK WETTREICH, THE MANAGEMENT DESIGNEES OF GREENBANK, TO ATTEND AND ACT FOR HIM OR HER AT THE MEETING.** Such right may be exercised by inserting in the blank space provided, the name of the person to be designated and deleting therefrom the names of the management designees or by completing another proper instrument of proxy and, in either case, depositing the instrument of proxy with the registrar and transfer agent of GreenBank, Capital Transfer Agency Inc., at their proxy department located at Suite 401, 121 Richmond St W, Toronto, ON M5H 2K1 or faxed to (416) 350-5008, at

any time, not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment of the Meeting.

### REVOCATION OF PROXIES

A shareholder of GreenBank who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. A shareholder of GreenBank may revoke a proxy by depositing an instrument in writing, executed by him or her or his or her attorney authorized in writing:

- (a) with the proxy department of Capital Transfer Agency Inc., located at Suite 401,121 Richmond St W, Toronto, ON M5H 2K1 or faxed to (416) 350-5008, at any time, not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment of the Meeting at which the proxy is to be used;
- (b) at the registered office of GreenBank, Suite 2506, 208 Queens Quay West, Toronto, Ontario, Canada, M5J 2Y5, at any time up to and including the last business day preceding the day of the Meeting at which the proxy is to be used; or
- (c) with the chairman of the Meeting on the day of the Meeting or any adjournment of the Meeting.

In addition, a proxy may be revoked by the shareholder of GreenBank personally attending the Meeting and voting his or her shares.

### ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES ON VOTING COMMON SHARES

**The information set forth in this section is of significant importance to many Shareholders of GreenBank, as a substantial number of Shareholders do not hold Common Shares in their own name.** Shareholders who do not hold their shares in their own name (referred to in this Information Circular as **Beneficial Shareholders**) should note that only proxies deposited by Shareholders whose names appear on the records of GreenBank as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those Common Shares will not be registered in the shareholder's name on the records of GreenBank. Such Common Shares will likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the nominee of The Canadian Depository for Securities Limited, which acts as depository for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Services Inc. (**Broadridge**). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at a meeting. A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote Common Shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted at such meeting.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting the Common Shares registered in the name of his or her broker (or an agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxy holder for the registered shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder for the registered shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of such meeting.

### APPROVAL OF MATTERS

As used herein, "special resolution" means a resolution approved by a minimum majority of 66 2/3% of the votes cast by Shareholders at the Meeting and an "ordinary resolution" means a resolution approved by a simple majority of 50% plus one vote cast by Shareholders at the Meeting. Unless otherwise noted, approval of matters to be placed before the Meeting is by an ordinary resolution.

### VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

GreenBank is authorized to issue an unlimited number of Common Shares, without nominal or par value, of which as at the date hereof 9,142,460 Common Shares are issued and outstanding. The holders of Common Shares of record at the close of business on February 14, 2014 (the "Record Date"), are entitled to vote such Common Shares at the Meeting on the basis of one (1) vote for each Common Share held. The articles (the "Articles") of GreenBank provide that one person present and representing in person and entitled to vote at the Meeting shall constitute a quorum for the transaction of business at the Meeting.

To the knowledge of the directors and senior officers of GreenBank, as at the date hereof, the only Persons who beneficially own, directly or indirectly, or exercise control or direction over, ten percent (10%) or more of the issued and outstanding Common Shares are the following:

Name and Municipality of Residence.	Number of Common Shares	Percentage of Issued and Outstanding Common Shares (2)
Daniel Wettreich, Ontario	1,963,310	21.47
Castle Resources Inc, Ontario	1,405,152	15.36
Mark Wettreich, Dallas, Texas USA	4,000,000	43.75

Note

(1) Based on 9,142,460 shares issued and outstanding

**PARTICULARS OF MATTERS TO BE ACTED UPON**

To the knowledge of the directors of GreenBank, the only matters to be dealt with at the Meeting are those matters set forth in the accompanying Notice of Meeting relating to: (i) the presentation of the annual financial statements of GreenBank for the financial year ended July 31, 2013; (ii) the election of directors of GreenBank to hold office until the next annual meeting of the Shareholders; (iii) the appointment of auditors of GreenBank, and authorizing the directors to fix the remuneration to be paid to the auditors; (iv) the approval of the Corporation's stock option plan (the "GreenBank Stock Option Plan") reserving for grant options to acquire up to a maximum of 10% of the issued and outstanding shares of the Corporation calculated at the time of each stock option grant.

**I. FINANCIAL STATEMENTS**

At the Meeting, Shareholders will receive and consider the audited financial statements of the Corporation for the most recently completed financial year ended July 31, 2013, together with the auditors' report thereon.

**II. ELECTION OF DIRECTORS**

The board of directors (the "Board of Directors") of GreenBank presently consists of four (4) directors, all of whom are elected annually. It is proposed that the number of directors of GreenBank for the ensuing year be fixed at four (4). The current directors of GreenBank shall retire from office at the Meeting, but shall remain in office until the dissolution of the Meeting at which their successors are appointed.

**It is proposed that the persons named below (the "Nominees") will be nominated for election as directors at the Meeting. IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES OF GREENBANK, IF NAMED AS PROXY, TO VOTE FOR THE ELECTION OF SAID PERSONS TO THE BOARD OF DIRECTORS, AS APPLICABLE. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT DESIGNEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS PROXY THAT HIS SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS. Each director elected will hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed pursuant to the bylaws of GreenBank.**

The following information relating to the nominees is based on information received by GreenBank from the Nominees.

Name and Municipality of Residence of Proposed Nominee, and Proposed Positions with Resulting Issuer	Principal Occupation for Last Five Years and Positions with Other Reporting Issuers	Director of GreenBank Since	Common Shares Beneficially Owned, Directly or Indirectly Controlled or Directed
Daniel Wettreich <sup>(1)</sup> Chairman, CEO, CFO and Director Toronto, Ontario	CEO of Churchill Venture Capital LP, Churchill Natural Resource Partners, LP, Winston Resources Inc, Zara Resources Inc, GreenBank Capital Inc, CNRP Mining Inc, Leo Resources Inc., Hadley Mining Inc.	December 10, 2012	1,963,310
Mark Wettreich Vice President, Corporate Secretary and Director Dallas, Texas, USA	Vice President of Churchill Venture Capital LP, Churchill Natural Resource Partners LP, Winston Resources Inc, Zara Resources Inc, GreenBank Capital Inc, CNRP Mining Inc., Leo Resources Inc., Hadley Mining Inc.	December 10, 2012	4,000,000

Peter Wanner <sup>(1)</sup> Director, Ontario	Managing Director, IG Aviation Tax Services Inc.; CFO & Director, First National Energy Corp.; CFO & Director Hear At Last Holdings Inc.; Director & President, Scorpio Capital Corp.; Director & CEO, Triumph Ventures II Corp; Director of Winston Resources Inc., Zara Resources Inc., GreenBank Capital Inc., CNRP Mining Inc.	December 10, 2012	15,564
Paul Cullingham <sup>(1)</sup>	President & CEO, Ubique Minerals Inc., President & CEO of MrBayStreet.com,	Nominee	Nil

Note: (1) Member of the Audit Committee of GreenBank

### Management Team and Board of Directors

**Daniel Wettreich** is a director and the Chairman, CEO and CFO of GreenBank Capital Inc. He is also a director and CEO of Bitcoin Canada Investments Inc., Bitcoin Angel Capital Inc., Zara Resources Inc., Winston Resources Inc., CNRP Mining Inc., Hadley Mining Inc. and Leo Resources Inc. He has more than 40 years of experience in venture capital, private equity, and management of publicly traded companies. He has been Chairman and CEO of Churchill Venture Capital LP, a Dallas, Texas private equity business, for more than 20 years, and is Managing Partner of Churchill Natural Resource Partners, LP, which invests in small cap mining companies. He has been a director of public companies listed on NASDAQ, the American Stock Exchange, the London Stock Exchange, the AIM Market of the London Stock Exchange, and the Vancouver Stock Exchange, a predecessor to the TSX Venture Exchange. These public companies have been in diverse businesses in internet technologies, oil and gas, retailing, telecommunications, media, and real estate. He has facilitated 13 reverse takeover transactions. He is a graduate of the University of Westminster with a BA in Business.

**Mark Wettreich** is a director and Vice President of Administration and Corporate Secretary of GreenBank Capital Inc. He is also a director of Bitcoin Canada Investments Inc., Bitcoin Angel Capital Inc., Zara Resources Inc., Winston Resources Inc., Hadley Mining Inc., CNRP Mining Inc., and Leo Resources Inc. He is Vice President of Churchill Venture Capital LP and of Churchill Natural Resource Partners, LP which invests in small cap mining companies. Previously, he was President of European Art Gallery, fine art dealers in London, England, and Dallas, Texas. He is a B.A. graduate of the University of Texas.

**Peter D. Wanner** is a director and member of the Audit Committee of GreenBank Capital Inc. He is the Managing Director of IG Aviation Tax Services Inc., providing accounting services to the aviation industry. He is also a director of Bitcoin Canada Investments Inc., Bitcoin Angel Capital Inc, Winston Resources Inc., Zara Resources Inc, Hadley Mining Inc., CNRP Mining Inc., and Leo Resources Inc. He is a director and CEO of First National Energy Corp, a public company on the OTC in the USA, and has been a director and officer of a number of public companies. Peter received his Certified General Accountant designation in 1981 and after working in public accounting he became VP & Controller of Worldways Canada ó then Canada's third largest airline. He has 25 years of experience in accounting and financial consulting and has worked with companies in Canada, the United States, Mexico, and the United Kingdom.

**Paul Cullingham** is a nominee as a director and a member of the Audit Committee of Hadley Mining Inc. He is a director of Bitcoin Canada Investments Inc. and Bitcoin Angel Capital Inc, subsidiaries of GreenBank Capital Inc. He has been in the investment industry since 1986 specializing in the resource and financial sectors, where he has worked for both large and medium-size Canadian companies, as well as a large Wall Street firm. He is President and CEO of Ubique Minerals Inc, a private exploration company, and of MrBayStreet.com, an online portal for public company investors. Previously, he was the President and CEO of Celtic Minerals Inc., a public minerals company.

### **Cease Trade Orders, Bankruptcies, Penalties, and Sanctions**

Other than as disclosed below, no director or executive officer of the Corporation or proposed director of the Corporation is, as at the date hereof, or has been, within the 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation) that:

- (a) was subject to an order that was issued and which was in effect for a period of more than 30 consecutive days, while the director or executive officer was acting in the capacity as director, chief executive officer or financial officer; or
- (b) was subject to an order that was issued and which was in effect for a period of more than 30 consecutive days, after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer, or chief financial officer.

No director or executive officer of the Corporation, proposed director of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

- (c) is, at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or executive officer of the Corporation, proposed director of the Corporation, or a shareholder holding a sufficient number of the Corporation's securities to affect materially the control of the Corporation has been subject to:

- (e) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (f) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Scott F. White is currently a director of the Corporation and is not standing for re-election. He was an officer and a director of Parlay Entertainment Inc (öParlayö). Parlay was the subject of a cease trade order (a "CTO") issued by the Ontario Securities Commission (the öOSCö) and by the British Columbia Securities Commission on or around May 17, 2011, for failing to file a comparative financial statement for its financial year ended December 31, 2010, and a Form 51-102F1 Management's Discussion and Analysis for the period ended December 31, 2010. Parlay subsequently filed all required financial statements and the CTO was lifted

on July 25, 2012. On May 6, 2011, the Parlay appointed BDO Canada Limited (öBDOö) to assist it in a restructuring and to act as its proposal trustee in the filing of a notice of intention to make a proposal (the öProposalö) to its creditors with the Superior Court of Justice, Province of Ontario, pursuant to the *Bankruptcy and Insolvency Act* (Canada). On September 29, 2011, the creditors of the Applicant rejected the Proposal and, as a result Parlay was deemed bankrupt and BDO was appointed Bankruptcy Trustee. On November 29, 2011, the Bankruptcy Trustee executed a letter of intent with a third party in anticipation of a transaction and, based on the letter of intent, the Bankruptcy Trustee offered a new proposal to the creditors (the öNew Proposalö) and on January 19, 2012, the creditors accepted the New Proposal. The New Proposal of Parlay under the *Bankruptcy and Insolvency Act* (Canada) was approved by the Court on February 6, 2012 and Parlay ceased to be deemed bankrupt.

### Personal Bankruptcies

No proposed director, officer or promoter of the Corporation is, or has, within the ten years preceding the date hereof, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

### Conflicts of interest

Certain of the directors of the Corporation currently, or in the future, may serve as directors of, have significant shareholdings in, or provide professional services to other companies and, to the extent that such other companies may participate in ventures with GreenBank Capital Inc., the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises, a director who has such a conflict must disclose, at a meeting of the board, the nature and extent of his interest to the meeting and abstain from voting for or against the approval of such participation. Conflicts will be subject to the procedures and remedies similar to these provided under the BCBCA.

### Other Reporting Issuer Experience

The following table sets forth the names of the directors, officers, and promoters of the Corporation that are, or have been within the last five years, directors, officers, and promoters of other reporting issuers.

Name of Director, Officer, or Promoter	Name and Jurisdiction of Reporting Issuer	Name of Trading Market (1)	Position	From	To
Daniel Wettreich	Camelot Corporation Winston Resources Inc, CNRP Mining Inc, Zara Resources Inc., Leo Resources Inc., Hadley Mining Inc.	OTC-BB	CEO/Director	September 1988	May 2010
		CSE	CEO/Director	October 2012	Present
		CSE	CEO/Director	September 2011	Present
		CSE	CEO/Director	November 2012	Present
		CSE	CEO/Director	March 2013	Present
		CSE	CEO/Director	March 2012	Present

Peter D. Wanner	First National Energy Corp. Hear At Last Holdings Inc. Trophy Capital Inc. Ribbon Capital Corp. Scorpio Capital Corp. Triumph Ventures II Corp. Triumph Ventures III Corp. Winston Resources Inc., Hadley Mining Inc, Leo Resources Inc., Zara Resources Inc., CNRP Mining Inc.	OTCBB PK TSX-V TSX-V TSX-V TSX-V TSX-V CSE CSE CSE CSE CSE	CFO/Director CFO Director Director Director/President CFO/Director CFO/Director Director Director Director Director Director	May 2004 July 2006 July 2003 June 2004 Sept.2004 Nov.2010 Aug. 2011 January 2013 April 2013 August 2013 January 2013 February 2013	Present Sept 2009 March2004 Sept 2006 Jan. 2007 Present December 2013 Present Present Present Present
Paul Cullingham	Celtic Minerals Inc	CSE	CEO/Director	May 2011	March 2012
Mark Wettreich	Winston Resources Inc, Hadley Mining Inc, Leo Resources Inc., Zara Resources Inc., CNRP Mining Inc.	CSE CSE CSE CSE CSE	VP/Director VP/Director VP/Director VP/Director VP/Director	June 2012 October 2012 August 2013 October 2012 February 2013	Present Present Present Present Present
Scott White	Parlay Entertainment Inc.  Rattlesnake Ventures Inc.  Minsud Resources Inc. Taggart Capital Corp.  Triumph Ventures II Corp.	TSXV  TSXV  TSXV TSXV  TSXV	CEO/Director  CEO/Director  CEO/Director Director  Director	November 2006  October 2007  May 2011 January 2011  July 2011	July 2012  May 2011  Present Present  Present

Note:

(1) OTC-BB = Over the Counter Bulletin Board; and TSXV = TSX Venture Exchange and CSE=Canadian Securities Exchange

### III. APPOINTMENT OF AUDITORS

Parker Simone LLP, Chartered Accountants, of Mississauga, Ontario, have been the auditors of the Corporation since April 10, 2012. It is proposed that Parker Simone LLP be re-appointed as auditor of the Corporation; to hold office until the next annual meeting of Shareholders of the Corporation at such remuneration as may be determined by the Board of Directors.

**IF NAMED AS PROXY, THE MANAGEMENT DESIGNEES INTEND TO VOTE THE COMMON SHARES REPRESENTED BY SUCH PROXY FOR THE APPOINTMENT OF PARKER SIMONE AS AUDITORS OF THE CORPORATION AT SUCH REMUNERATION TO BE FIXED BY THE BOARD OF DIRECTORS, UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS PROXY THAT HIS SHARES ARE TO BE WITHHELD FROM VOTING IN THE APPOINTMENT OF AUDITORS.**

### IV. APPROVAL OF GREENBANK STOCK OPTION PLAN -(THE “PLAN”)

The purpose of the Plan, is to encourage directors, officers and key employees of the Corporation and its subsidiaries and persons providing ongoing services to the Corporation to participate in the growth and development of the Corporation by providing incentive to qualified parties to increase their proprietary interest in the Corporation by permitting them to purchase Common Shares and thereby encouraging their continuing



association with the Corporation. The stock options are non-transferable and will expire upon the sooner of the expiry date stipulated in the particular stock option agreement or after a certain period following the date the optionee ceases to be a qualified party by reason of death or termination of employment. A copy of the proposed Plan is attached to this Information Circular as Schedule A.

The Plan provides that the number of Common Shares which may be made the subject of options cannot exceed 10% of the issued and outstanding Common Shares on a non-diluted basis at any time. Approximately [insert] Common Shares are available under the Plan. The stock options granted under the Plan together with all of the Corporation's other previously established Plans or grants, shall not result at any time in: (a) the number of Common Shares reserved for issuance pursuant to stock options granted to Insiders exceeding 10% of the issued and outstanding Common Shares; (b) the grant to Insiders within a 12 month period, of a number of stock options exceeding 10% of the outstanding Common Shares; (c) the grant to any one Optionee within a 12-month period, of a number of stock options exceeding 5% of the issued and outstanding Common Shares unless the Corporation obtains the requisite disinterested shareholder approval; (d) the grant to all persons engaged by the Corporation to provide Investor Relations Activities, within any twelve-month period, of stock options reserving for issuance a number of Common Shares exceeding in the aggregate 2% of the Corporation's issued and outstanding Common Shares; or (e) the grant to any one Consultant, in any twelve-month period, of stock options reserving for issuance a number of Common Shares exceeding in the aggregate 2% of the Corporation's issued and outstanding Common Shares.

The board of directors determines the price per Common Share and the number of Common Shares that may be allotted to each eligible person and all other terms and conditions of the options, subject to the rules of the CSE, provided however that price per share set by the board of directors must be at least equal to the Discounted Market Price of the Common Shares. **"Discounted Market Price"** means the last per share closing price for the Common Shares on the Exchange before the date of grant of a stock option, less any applicable discount under Exchange Policies. In addition to any resale restrictions under Securities Laws, any stock option granted under the Plan and any Common Shares issued upon the due exercise of any such stock option so granted will be subject to a four-month hold period commencing from the date of grant of the stock option, if the exercise price of the stock option is granted at less than the Market Price. **"Market Price"** means the closing price of the Common Shares on any Exchange (and if listed on more than one Exchange, then the highest of such closing prices) on the last business day prior to the date of grant. In the event that such Common Shares did not trade on such business day, the Market Price shall be the average of the bid and asked prices in respect of such Common Shares at the close of trading on such date.

The term of an option shall be not more than 10 years from the date the option is granted. If an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, the Optionee may, but only within ninety (90) days after the Optionee's ceasing to be a director, officer, employee or consultant (or 30 days in the case of an Optionee engaged in investor relations activities) or prior to the expiry of the exercise period, whichever is earlier, exercise any stock option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the stock option at the date of such cessation. In the event of the death of an Optionee, the stock option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the stock option Period, whichever is earlier, and then only: (a) by the person or persons to whom the Optionee's rights under the stock option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and (b) to the extent that the Optionee was entitled to exercise the stock option at the date of the Optionee's death.

In the event of (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or (b) any change in control of the Corporation, the Plan gives the Corporation the power to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including to amend any stock option agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction.

Subject to any required approvals under applicable securities legislation or stock exchange rules, the Corporation may amend or modify the Plan or the terms of any option as the board of directors deems necessary or advisable provided that no such amendment shall adversely affect any accrued and vested rights of an

optionee or alter or impair any option previously granted to that optionee, without the consent of the optionee (provided such a change would materially prejudice the optionee's rights under the Plan).

At the Meeting, the Shareholders will be asked to approve the following resolution:

**“BE IT RESOLVED THAT:**

1. The current incentive stock option plan of GreenBank, as described in the Information Circular of GreenBank, (and as may be amended to comply with the policies of the Exchange from time to time), be and is hereby affirmed, ratified and approved; and
2. Any one (1) director or officer of the GreenBank, be authorized to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of GreenBank, or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing.ö

**IF NAMED AS PROXY, THE MANAGEMENT DESIGNEES INTEND TO VOTE THE COMMON SHARES REPRESENTED BY SUCH PROXY AT THE MEETING FOR THE APPROVAL OF THE GREENBANK STOCK OPTION PLAN, UNLESS THE SHAREHOLDER HAS OTHERWISE DIRECTED IN HIS PROXY.**

## **STATEMENT OF EXECUTIVE COMPENSATION**

The Corporation's Statement of Executive Compensation, in accordance with the requirements of Form 51-102F6 *Statement of Executive Compensation*, is set forth below, which contains information about the compensation paid to, or earned by, the Corporation's Chief Executive Officer and Chief Financial Officer and each of the other three most highly compensated executive officers of the Corporation earning more than CDN\$150,000.00 in total compensation for the financial year ended July 31, 2013 (the “**Named Executive Officers**” or “**NEO's**”). Based on the foregoing, on an annualized basis, Daniel Wettreich, Chairman of the Board, Chief Executive Officer and Chief Financial Officer is the Corporation's only NEO as at July 31, 2013.

## **COMPENSATION DISCUSSION AND ANALYSIS**

### **Compensation Review Process**

The directors oversee an annual review of director and executive compensation to ensure development of a compensation strategy that properly aligns the interests of directors and executives with the long-term interests of the Corporation and its Shareholders. The directors review on an annual basis the cash compensation, performance and overall compensation package for each NEO and determines the base management fee, bonus and participation in share compensation arrangements for each NEO. In making its decision, the directors discuss various factors with both Management and peers in the industry in respect of compensation levels for the NEO's.

### **Objectives of the Compensation Plan**

The objectives of the Corporation's compensation program are to attract, hold and inspire performance of members of Management of a quality and nature that will enhance the sustainable growth of the Corporation. To determine compensation payable, the directors review compensation paid for directors and officers of companies of similar business, size and stage of development and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and NEO's while taking into account the financial and other resources of the Corporation. The annual salaries for NEOs are designed to be comparable to executive compensation packages for similar positions at companies with similar financial, operating and industrial characteristics. The NEOs will be paid an annual salary that also takes into account his or her existing professional qualifications and experience. The NEOs' performances and salaries are to be reviewed periodically on the anniversary of their appointment to their

respective officer-ships with the Corporation. Increases in salary are to be evaluated on an individual basis and are performance and market-based. The directors determine and adjust, year to year; the relative weighting of each form of compensation discussed above in a manner which best measures the success of the Corporation and its NEO's.

### **Elements of Executive Compensation**

The Corporation's executive compensation program is based on the objectives of: (a) recruiting and retaining the executives critical to the success of the Corporation; (b) providing fair and competitive compensation; (c) balancing the interests of Management and Shareholders; and (d) rewarding performance, on the basis of both individual and corporate performance.

For the financial year ended July 31, 2013, the Corporation's executive compensation program consisted of the following elements:

- (a) a base management services fee (a **“Short-Term Incentive”**); and
- (b) a long-term equity compensation consisting of stock options granted under the Corporation's stock incentive plan (each, a **“Long-Term Incentive”**).

The specific rationale and design of each of these elements are outlined in detail below.

<b>ELEMENT OF COMPENSATION</b>	<b>SUMMARY AND PURPOSE OF ELEMENT</b>
<b>Short-Term Incentive Plan Base Management Services Fee:</b>	<p>Executive annual management fees are set at a level that is competitive with compensation for executive officers of peer group companies and having regard to the potential longer term compensation provided by the Option Plan. The Board reviews NEO salaries at least annually.</p> <p>In determining the base management fee to be paid to a particular NEO, the Compensation Committee and Board also considers the particular responsibilities related to the position, the experience level of the NEO, and his or her past performance at the Corporation.</p>
<b>Other Compensation (Perquisites): Long-Term Incentive Plan Stock Options:</b>	<p>There are currently no other forms of compensation.</p> <p>The granting of options to purchase common shares of the Corporation are designed to encourage the NEOs to own an interest in the Corporation and therefore tie their long-term interests to those of the shareholders of the Corporation. In determining individual grants of options, the Board consider factors such as: the performance and contributions to the success of the Corporation, the relative position of the individual, the years of service of the individual and past grants of options. No specific weightings are assigned to each factor, but rather, a subjective determination is made based on a general assessment of performance of the individual relative to such factors.</p>

## Stock Options

During the financial year ended July 31, 2013, stock options were granted to the Named Executive Officers as follows:\*

<b>Name of Officer</b>	<b>Title of Officer</b>	<b>Number of Stock Options</b>	<b>Exercise Price (\$)</b>
Daniel Wettreich	Chairman, CEO and CFO	280,000	\$0.25

\*The above stock options were issued prior to GreenBank's one for five share consolidation that took place on November 15, 2013. The options amounts above reflect the post-consolidation share structure.

## Other Long-Term Incentive Plans

The Corporation does not have any other long-term incentive plans and does not provide retirement benefits to its employees.

## Overview of How the Compensation Program Fits with Compensation Goals

### 1. Attract, Hold and Inspire Key Talent

The compensation package meets the goal of attracting, holding and motivating key talent in a highly competitive mineral exploration environment through the following elements:

- (a) A competitive management services compensation program which is generally above similar opportunities.
- (b) Providing an opportunity to participate in the Corporation's growth through options.

### 2. Alignment of Interests of NEO's with Interests of the Shareholders

The compensation package meets the goal of aligning the interests of the NEO's with the interests of Shareholders through the following elements:

- (a) Through the grant of stock options, if the price of the Corporation shares increases over time, both NEO's and Shareholders will benefit.
- (b) By providing a vesting period on stock awards, NEO's have an interest in increasing the price of the Corporation's shares over time, rather than focusing on short-term increases.

## Summary Compensation Table

The following table provides information for the three most recently completed financial years ended July 31, 2013, 2012 and 2011 regarding compensation earned by each of the Named Executive Officers of the Corporation. Unless otherwise noted, salaries for the Named Executive Officers are paid in Canadian dollars.

**Financial Years Ended July 31, 2013, 2012 and 2011**

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards' (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	Other Compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Daniel Wettreich Chairman of the Board, CEO and Director <sup>(1)</sup>	2013	24,000	44,464	Nil	NIL	NIL	NIL	NIL	68,464
	2012	Nil	NIL	Nil	NIL	NIL	NIL	NIL	NIL
	2011	Nil	NIL	Nil	NIL	NIL	NIL	NIL	NIL

Notes(1) The management services of Daniel Wettreich are provided by Sammiri Capital Inc at a monthly fee of \$8,000 some of which is accrued and not paid.

(2) Option-based award amounts do not represent cash remuneration or gains on the potential shares represented by the options. At July 31, 2013 there were no realized or unrealized gains related to the options. The values shown in the Summary Compensation Table are consistent with the values used in preparing the Company's consolidated financial statements under International Financial Reporting Standards, using the Black-Scholes option pricing model with the following weighted average assumptions at the time of grant: zero dividend yield, volatility of 105%, risk free rate of 1.38% and expected life of 5 years.

**Incentive Plan Awards**

The following table provides information regarding the incentive plan awards for each NEO outstanding as of July 31, 2013. \*

**Outstanding Share-Based Awards and Option-Based Awards**

Name and principal position	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options {#}	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) *	Number of shares that have not vested	Market or payout value of share-based awards that have not vested (\$)
Daniel Wettreich Chairman CEO, and Director	280,000	0.25	May 30, 2018	\$0	N/A	N/A

Note: \* Based on the closing price of the common shares of the Corporation as quoted by the Canadian Securities Exchange on January 31, 2014 at \$0.25

The following table provides information regarding the value vested or earned of incentive plan awards for the financial year ended July 31, 2013.

**Value Vested or Earned During the Financial Year Ended July 31, 2013**

Name and principal position	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Daniel Wetreich Chairman, CEO, and Director	NIL	NIL	NIL

*Note: These amounts represent the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date. The value of each amount has been determined by taking the difference between the market price of the option at the assumed exercise date and the exercise or base price of the option under the option-based award on the vest date.*

**Incentive Plan Awards - Narrative Discussion Pension Plan Benefits**

The Corporation does not currently provide pension plan benefits to its Named Executive Officers.

**Termination and Change of Control Benefits**

There are no termination and change of control benefits.

**Director Compensation**

Other than incentive stock options, directors of the Corporation do not receive any compensation for attending meetings of the board of directors or a committee of the board of directors.

**Retirement Policy for Directors**

The Corporation does not have a retirement policy for its directors.

**CORPORATE GOVERNANCE DISCLOSURE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Corporation. The Board is committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision making. The Corporation's common shares trade on the Canadian Securities Exchange (öCSEö), one of Canada's foremost public venture marketplaces. Accordingly, the Board of Directors of the Corporation has carefully considered the Corporate Governance Guidelines (the “**Guidelines**”) adopted by the CSE and has complied with the Guidelines. The information required to be disclosed by National Policy 58-101 - *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) is attached to this information circular as **Schedule “B”**.

**AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 -*Audit Committees* (“**NI 52-110**”) to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as disclosed by Form 52-110F2 attached to this Circular as **Schedule “C”**.

The Audit Committee's primary duties and responsibilities are to: (i) serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements; (ii) review and appraise the performance of the Corporation's external auditors; and (iii) provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board of Directors. The Audit Committee reports its deliberations and discussions to the Board and submits to the Board the minutes of its meetings. The Audit Committee consists of Daniel Wettreich, Peter D. Wanner and Scott White. Mr White is not standing for re-election as a director and will be replaced by board nominee Paul Cullingham. All members of the Audit Committee are "financially literate" as that term is defined in NI 52-110 and Messrs Wanner, Scott and Cullingham are "independent" as that term is defined in NI 52-110. The Chairman of the Audit Committee, in consultation with the Audit Committee members, determines the schedule and frequency of the Audit Committee meetings.

#### **INDEBTEDNESS OF DIRECTORS, SENIOR OFFICERS AND PROMOTERS OF GREENBANK**

No current or former director, executive officer, promoter or employee of GreenBank or any of its subsidiaries is indebted to the Corporation or any of its subsidiaries, or to any other entity, where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries. No person who is, or was at any time during the most recently completed financial year of the Corporation, a director, promoter or executive officer of the Corporation or any proposed nominee for election as a director of the Corporation, nor any Associate or Affiliate of any such Person, is, or at any time since the beginning of the most recently completed financial year of the Corporation has been, indebted to the Corporation or any of its subsidiaries; nor is any such indebtedness of any such person to another entity now, nor has it been at any time in the past, since the beginning of the most recently completed financial year of the Corporation, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, under a securities purchase program or any other program.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Management of GreenBank is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director, promoter or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, or of any proposed nominee for election as a director of GreenBank, or of the Resulting Issuer, or of any Associate or Affiliate of any such Person, in any matter to be acted upon at the Meeting other than the approval of amendments to the existing Stock Option Agreements and the election of directors. All of the directors and officers may receive options pursuant to the GreenBank Stock Option Plan. See "Particulars of Matters to be Acted Upon - Approval of GreenBank Stock Option Plan".

#### **INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS OF GREENBANK**

Management of GreenBank is not aware of any material interest, direct or indirect, of any Insider of GreenBank, any nominee for election as a director of GreenBank, or any Associate or Affiliate of any such Person, in any transaction that has materially affected or would materially affect GreenBank.

#### **LEGAL PROCEEDINGS CONCERNING GREENBANK**

Management of GreenBank is not aware of any material legal proceedings outstanding, pending or threatened as at the date hereof, by or against GreenBank, which would be material to a purchaser of securities of GreenBank.

#### **FINANCIAL STATEMENTS AND MANAGEMENT DISCUSSION AND ANALYSIS**

Attached hereto as Schedules are copies of the audited combined financial statements for the Corporation for the year ended July 31, 2013, and Management Discussion and Analysis related thereto.

## **BOARD APPROVAL**

This Information Circular has been approved by the directors of the Corporation. Where information contained in this Information Circular rests particularly within the knowledge of a Person other than the Corporation, the Corporation has relied upon information furnished by such Person.

### **Other Business**

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting accompanying this Information Circular. If any other business properly comes before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

### **ADDITIONAL INFORMATION CONCERNING GREENBANK**

Additional information relating to the Corporation may be found on SEDAR. Financial information of the Corporation is provided in the comparative financial statements and management discussion and analysis of the Corporation for the most recently completed financial year. Under NI 51-102, any person or company who wishes to receive interim financial statements from the Corporation may deliver a written request for such material to the Corporation or the Corporation's agent, together with a signed statement that the person or company is the owner of securities of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Corporation's transfer agent, Capital Transfer Agency Inc., at their proxy department located at Suite 401, 121 Richmond St W, Toronto, ON M5H 2K1, or faxed to (416) 350-5008. The Corporation maintains a supplemental mailing list of persons or companies wishing to receive interim financial statements.

### **DIRECTORS' APPROVAL**

The contents and the sending of this Information Circular to the Shareholders of the Corporation have been approved by the Board of Directors. Unless otherwise specified, information contained in this Information Circular is given as of January 31, 2014.

**DATED** at Toronto, Ontario this 31<sup>st</sup> January, 2014.

**BY ORDER OF THE BOARD OF DIRECTORS**

(Signed) *“Daniel Wettreich”*

Daniel Wettreich  
Chairman



**SCHEDULE A  
CORPORATION STOCK OPTION PLAN**

**GREENBANK CAPITAL INC.  
(the “Corporation”)**

**STOCK OPTION PLAN**

**1. Purpose**

The purpose of the Plan is to: (i) provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries to achieve the longer objectives of the Corporation; (ii) give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and (iii) attract to and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

**2. Definitions and Interpretation**

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) **“Board of Directors”** means the Board of Directors of the Corporation;
- (b) **“Common Shares”** means common shares in the capital of the Corporation;
- (c) **“Corporation”** means GreenBank Capital Inc. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;
- (d) **“Discounted Market Price”** means the last per share closing price for the Common Shares on the Exchange before the date of grant of an Option, less any applicable discount under Exchange Policies;
- (e) **“Exchange”** means the Canadian Securities Exchange or any other stock exchange on which the Common Shares are listed;
- (f) **“Exchange Policies”** means the policies of the Exchange, including those set forth in the Corporate Finance Manual of the Exchange;
- (g) **“Insider”** has the meaning ascribed thereto in Exchange Policies;
- (h) **“Market Price”** at any date in respect of the Common Shares shall be the closing price of such Common Shares on any Exchange (and if listed on more than one Exchange, then the highest of such closing prices) on the last business day prior to the date of grant (or, if such Common Shares are not then listed and posted for trading on the Exchange, on such stock exchange in Canada on which the Common Shares are listed and posted for trading as may be selected for such purpose by the Board of Directors). In the event that such Common Shares did not trade on such business day, the Market Price shall be the average of the bid and asked prices in respect of such Common Shares at the close of trading on such date. In the event that such Common Shares are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of such Common Shares as determined by the Board of Directors in its sole discretion;
- (i) **“Option”** means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors;

(j) **“Option Period”** means the period determined by the Board of Directors during which an Optionee may exercise an Option, not to exceed the maximum period permitted by the Exchange, which maximum period is ten (10) years from the date the Option is granted;

(k) **“Optionee”** means a person who is a director, officer, employee, consultant or other personnel of the Corporation or a subsidiary of the Corporation; a corporation wholly-owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan;

(l) **“Plan”** shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended;

(m) **“Securities Act”** means the *Securities Act* (Ontario), as amended, or such other successor legislation as may be enacted, from time to time; and

(n) **“Securities Laws”** means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that govern or are applicable to the Corporation or to which it is subject, including, without limitation, the Securities Act.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies, including without limitation “Consultant”, “Disinterested Shareholder Approval”, “Employee”, “Insider”, “Investor Relations Activities” and “Management Company Employee”.

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

### **3. Administration**

The Plan shall be administered by the Board of Directors. The Board of Directors shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board of Directors shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to shareholder approval if required by the Exchange. Notwithstanding the foregoing or any other provision contained herein, the Board of Directors shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board of Directors, in which case all references herein to the Board of Directors shall be deemed to refer to such committee.

### **4. Eligibility**

The Board of Directors may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon recommendation of the Board of Directors. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board of Directors shall so determine. Subject to Exchange Policies, the Corporation shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee (as such terms are defined in Exchange Policies) in respect of Options granted to such Optionees.

### **5. Participation**

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to

continuance as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a consultant to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or full-time employee of or a consultant to the Corporation or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect to Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

## **6. Common Shares Subject to Options**

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Corporation shall not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis at any time, and such aggregate number of Common Shares shall automatically increase or decrease as the number of issued and outstanding Common Shares changes. The Options granted under the Plan together with all of the Corporation's other previously established stock option plans or grants, shall not result at any time in:

- (a) the number of Common Shares reserved for issuance pursuant to Options granted to Insiders exceeding 10% of the issued and outstanding Common Shares;
- (b) the grant to Insiders within a 12-month period, of a number of Options exceeding 10% of the outstanding Common Shares;
- (c) the grant to any one (1) Optionee within a twelve month period, of a number of Options exceeding 5% of the issued and outstanding Common Shares unless the Corporation obtains the requisite Disinterested Shareholder Approval;
- (d) the grant to all persons engaged by the Corporation to provide Investor Relations Activities, within any twelve-month period, of Options reserving for issuance a number of Common Shares exceeding in the aggregate 2% of the Corporation's issued and outstanding Common Shares; or
- (e) the grant to any one Consultant, in any twelve-month period, of Options reserving for issuance a number of Common Shares exceeding in the aggregate 2% of the Corporation's issued and outstanding Common Shares.

Appropriate adjustments shall be made as set forth in Section 15 hereof, in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased Common Shares subject thereto shall again be available for the purpose of the Plan.

## **7. Option Agreement**

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board of Directors, all in accordance with the provisions of this Plan (herein referred to as the “**Stock Option Agreement**”). The Stock Option Agreement will be in such form as the Board of Directors may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.

## 8. Option Period and Exercise Price

Each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which shall be the date of the expiry of the Option Period (the "Expiry Date"), subject to earlier termination as provided in Sections 11 and 12 hereof.

Subject to Exchange Policies and any limitations imposed by any relevant regulator's authority, the exercise price of an Option granted under the Plan shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares.

In addition to any resale restrictions under Securities Laws, any Option granted under this Plan and any Common Shares issued upon the due exercise of any such Option so granted will be subject to a four-month Exchange hold period commencing from the date of grant of the Option, if the exercise price of the Option is granted at less than the Market Price, in which case the Option, and the Common Shares issued upon due exercise of the Option, if applicable, will bear the following legend:

Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [four months and one day from the date of grant].

## 9. Exercise of Options

An Optionee shall be entitled to exercise an Option granted to him at any time prior to the expiry of the Option Period, subject to Sections 11 and 12 hereof and to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

Notwithstanding any other provision hereof, Options granted to persons engaged to provide Investor Relations Activities shall vest in stages over a period of 12 months from the date of grant with no more than 1/4 of any such Options granted vesting in any three-month period.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of: (i) a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised; (ii) cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised; and (iii) make suitable arrangements with the Corporation, in accordance with Section 10, for the receipt by the Corporation of an amount sufficient to satisfy any withholding tax requirements under applicable tax legislation in respect of the exercise of an Option (the "Withholding Obligations").

Common Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Common Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, including, without limitation, the 1933 Act, the United States Securities and Exchange Act of 1934, as amended, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Common Shares are quoted at any given time. As a condition to the exercise of an Option, the Corporation may require the person exercising such Option to represent and warrant at the time of any such exercise that the Common Shares are being purchased only for investment and without any present intention to sell or distribute such Common Shares if, in the opinion of counsel for the Corporation, such a representation is required by law.

## 10. Withholding Taxes

Upon the exercise of an Option by an Optionee, the Corporation shall have the right to require the Optionee to remit to the Corporation an amount sufficient to satisfy any Withholding Obligations relating thereto under applicable tax legislation. Unless otherwise prohibited by the Board of Directors or by applicable law, satisfaction of the amount of the Withholding Obligations (the "Withholding Amount") may be accomplished by any of the following methods or by a combination of such methods as determined by the Corporation in its sole discretion:

(i) the tendering by the Optionee of cash payment to the Corporation in an amount less than or equal to the Withholding Amount; or

(ii) the withholding by the Corporation from the Common Shares otherwise due to the Optionee such number of Common Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the Withholding Amount (net of selling costs). By executing and delivering the option agreement, the Optionee shall be deemed to have consented to such sale and have granted to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares and to have acknowledged and agreed that the Corporation does not accept responsibility for the price obtained on the sale of such Common Shares;

(iii) the withholding by the Corporation from any cash payment otherwise due by the Corporation to the Optionee, including salaries, directors fees, consulting fees and any other forms of remuneration, such amount of cash as is required to pay and satisfy the Withholding Amount; provided, however, in all cases, that the sum of any cash so paid or withheld and the fair market value of any Common Shares so withheld is sufficient to satisfy the Withholding Amount.

The provisions of the option agreement shall provide that the Optionee (or their beneficiaries) shall be responsible for all taxes with respect to any Options granted under the Plan and an acknowledgement that neither the Board of Directors nor the Corporation shall make any representations or warranties of any nature or kind whatsoever to any person regarding the tax treatment of Options or payments on account of the Withholding Amount made under the Plan and none of the Board of Directors, the Corporation, nor any of its employees or representatives shall have any liability to an Optionee (or its beneficiaries) with respect thereto.

#### **11. Ceasing to be a Director, Officer, Employee or Consultant**

If an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, the Optionee may, but only within ninety (90) days after the Optionee's ceasing to be a director, officer, employee or consultant (or 30 days in the case of an Optionee engaged in Investor Relations Activities) or prior to the expiry of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation. For greater certainty, any Optionee who is deemed to be an employee of the Corporation pursuant to any medical or disability plan of the Corporation shall be deemed to be an employee for the purposes of the Plan.

#### **12. Death of Optionee**

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death.

#### **13. Optionee's Rights Not Transferable**

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequeath or the laws of descent and distribution, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

#### **14. Takeover or Change of Control**

The Corporation shall have the power, in the event of:

(a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or

(b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

## **15. Anti-Dilution of the Option**

In the event of:

(a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;

(b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change; or

(c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustments shall be made successively whenever any event referred to in this section shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be.

## **16. Costs**

The Corporation shall pay all costs of administering the Plan.

## **17. Termination and Amendment**

(a) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any relevant regulatory authority, whether or not such amendment or

termination would affect any accrued rights, subject to the approval of the Exchange or such regulatory authority.

(b) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 17(a) hereof, subject to the approval of the Exchange or any relevant regulatory authority and the approval of the shareholders of the Corporation if required by the Exchange or such regulatory authority. Subject to Exchange Policies, Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.

(c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

#### **18. Applicable Law**

This Plan shall be governed by, administered and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

#### **19. Effective Date**

This Plan will become effective as of and from June 22, 2013.

## SCHEDULE B

### FORM 58-101F2 CORPORATE GOVERNANCE DISCLOSURE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”), the Corporation is required and hereby discloses its corporate governance practices as of the date of this Information Circular:

#### 1. Board of Directors

As at January 31, 2014 the board of directors (the “Board”) is comprised of four directors.

Peter D. Wanner, and Scott White are independent (as that term is defined in NI 58-101) directors of the Corporation in that they are free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the directors' ability to act with the best interests of the Corporation, other than the interests and relationships arising from shareholdings. Scott White is not standing for re-election, and Paul Cullingham has been nominated as a director and member of the audit committee of the Corporation, subject to shareholder approval at the Annual General Meeting.

Daniel Wettreich and Mark Wettreich are senior officers of the Corporation, and are therefore not independent, as that term is defined in NI 58-101.

The Board facilitates its exercise of independent supervision over the Corporation's management through frequent discussions with management and regular meetings of the Board.

#### 2. Directorships

Name of Director	Name of Reporting Issuer
Daniel Wettreich	Zara Resources Inc. , Winston Resources Inc, Hadley Mining Inc, Leo Resources Inc, GreenBank Capital Inc,CNRP Mining Inc,
Mark Wettreich	Zara Resources Inc. , Winston Resources Inc, Hadley Mining Inc, Leo Resources Inc, GreenBank Capital Inc,CNRP Mining Inc,
Peter D. Wanner	Zara Resources Inc., Winston Resources Inc, Hadley Mining Inc, Leo Resources Inc, GreenBank Capital Inc,CNRP Mining Inc, Triumph Ventures II, First National Energy Corp
Scott White	Zara Resources Inc. , Winston Resources Inc, Hadley Mining Inc, Leo Resources Inc, GreenBank Capital Inc,CNRP Mining Inc, Minsud Resources Inc., Taggart Capital Corp., Triumph Ventures II Corp

#### 3. Orientation and Continuing Education

While the Corporation does not have formal orientation and training programs, new directors are provided with access to publicly filed documents of the Corporation, technical reports, internal financial information, and management and technical experts and consultants.



#### **4. Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

#### **5. Nomination of Directors**

The Board of Directors is responsible for identifying individuals believed to be qualified to become board members, consistent with criteria approved by the Board, and to nominate to stand for election at the Corporation's annual meeting of shareholders or, if applicable, at a special meeting of the shareholders. In case of vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Board shall fill each such vacancy either through appointment by the Board or through election by shareholders. In recommending candidates, the Board of Directors shall take into consideration the opinions of management of the Corporation, the criteria approved by the Board and such other factors as it deems appropriate. These factors shall include judgment, skill, integrity, independence, diversity, experience with business and organizations of comparable size, the interplay of a candidate's experience with the experience of other Board members', willingness to commit the necessary time and energy to serve as director, and a genuine interest in the Corporation's business, and the extent to which a candidate would be a desirable addition to the Board or any committees of the Board.

#### **6. Compensation**

The Board of Directors provide an annual review of director and executive compensation to ensure development of a compensation strategy that properly aligns the interests of directors and executives with the long-term interests of the Corporation and its shareholders,

#### **7. Board Committees**

The Board has established an Audit Committee. The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the following areas: (i) the Corporation's external audit function; (ii) internal control and management information systems; (iii) the Corporation's accounting and financial reporting requirements; (iv) the Corporation's compliance with law and regulatory requirements; (v) the Corporation's risks and risk management policies; and (vi) such other functions as are delegated to it by the Board. Specifically, with respect to the Corporation's external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: (i) the quality and integrity of the Corporation's financial statements; (ii) the independent auditors' qualifications; and (iii) the performance of the Corporation's independent auditors.

The Audit Committee's primary duties and responsibilities are to:

- (a) serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements;
- (b) review and appraise the performance of the Corporation's external auditors; and
- (c) provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board.

The Audit Committee reports its deliberations and discussions regularly to the Board and submits to the Board the minutes of its meetings.

**SCHEDULE “C”  
FORM 52-110F2 AUDIT COMMITTEE DISCLOSURE**

**1. The Audit Committee's Charter**

The Corporation's Audit Committee Charter is attached hereto as Exhibit 1.

**2. Composition of the Audit Committee**

The audit committee of the Corporation (the “**Audit Committee**”) consists of as many members as the board of directors (the “**Board**”) shall determine, but in any event not fewer than three (3) members who are appointed by the Board. The composition of the Audit Committee shall meet all applicable independence, financial literacy and other legal and regulatory requirements. The majority of the members of the Audit Committee shall be free from any relationship that, in the opinion of the Board of Directors, would reasonably interfere with the exercise of his or her independent judgment as a member of the Audit Committee, and at least one (1) member shall have (accounting or related financial experience). For the purposes of the Audit Committee's terms of reference, the definition of (financially literate) is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The Board has appointed Daniel Wettreich, Peter D. Wanner and board nominee Paul Cullingham as members of the Audit Committee. All members of the Audit Committee are (financially literate) as that term is defined in National Instrument 52-110 - *Audit Committees (“NI 52-110”)* and Peter D. Wanner and Paul Cullingham are (independent) as that term is defined in NI 52-110.

**3. Relevant Education and Experience**

Name	Independent of the Corporation	Financially Literate	Relevant Education and Experience
Daniel Wettreich	No	Yes	Daniel Wettreich is a director and the Chairman, CEO and CFO of GreenBank Capital Inc.. He has more than 40 years experience in venture capital, private equity, and management of publicly traded companies. He has been Chairman and CEO of Churchill Venture Capital LP, a Dallas, Texas private equity business, for more than 20 years, and is Managing Partner of Churchill Natural Resource Partners, LP, which invests in small cap mining companies. He has been a director of public companies listed on NASDAQ, the American Stock Exchange, the London Stock Exchange, the AIM Market of the London Stock Exchange, and the Vancouver Stock Exchange, a predecessor to the TSX Venture Exchange. These public companies have been in diverse businesses in internet technologies, oil and gas, retailing, telecommunications, media , and real estate. He has facilitated 12 reverse takeover transactions. He is a graduate of the University of Westminster with a BA in Business.
Peter D. Wanner	Yes	Yes	Peter D. Wanner is a director and member of the Audit Committee of GreenBank Capital Inc.. He is the Managing Director of IG Aviation Tax Services Inc., providing accounting services to the aviation industry. He is also a director of Bitcoin Canada Investments

Name	Independent of the Corporation	Financially Literate	Relevant Education and Experience
Paul Cullingham	Yes	Yes	<p>Inc., Bitcoin Angel Capital Inc, Zara Resources Inc, Hadley Mining Inc., Winston Resources Inc., and Leo Resources Inc. He is a director and CEO of First National Energy Corp, a public company on the OTC in the USA, and has been a director and officer of a number of public companies. Peter received his Certified General Accountant designation in 1981 and after working in public accounting he became VP &amp; Controller of Worldways Canada ó then Canada's third largest airline. He has 25 years of experience in accounting and financial consulting and has worked with companies in Canada, the United States, Mexico, and the United Kingdom.</p> <p>Paul Cullingham is nominated to be a director and member of the Audit Committee of GreenBank Capital Inc. He has been in the investment industry since 1986 specializing in the resource and financial sectors, where he has worked for both large and medium-size Canadian companies, as well as a large Wall Street firm. He is President and CEO of Ubique Minerals, a private exploration company, and of MrBayStreet.com, an online portal for public company investors. He is a Director of Bitcoin Canada Investments Inc. , and Bitcoin Angel Capital Inc. Previously, Paul was the President and CEO of Celtic Minerals Inc., a public minerals company.</p>

### Audit Committee Oversight

The Audit Committee has not made a recommendation to the Board of Directors to nominate or compensate an external auditor that has not been adopted by the Board.

#### 4. Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemptions contained in Section 2.4 (*De Minimis Non-audit Services*) or Section 8 (*Exemptions*) of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed five percent (5%) of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

#### 5. Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

## 6. External Auditor Service Fees (By Category)

The aggregate fees charged to the Corporation by the external auditors for last two fiscal years are estimated as follows:

<b>Nature of Services</b>	<b>Fees Paid to Auditor in Year-ended July 31,2012</b>	<b>Fees Paid to Auditor in Year-ended July 31, 2013</b>
Audit Fees	Nil	\$15,000
Audit-Related Fees	Nil	\$
Tax Fees	Nil	\$
All Other Fees	Nil	\$
<b>Total</b>	<b>Nil</b>	<b>\$15,000</b>

**Notes:**

*“Audit Fees” include fees necessary to perform the annual audit and any quarterly reviews of the Corporation’s financial statements. This includes fees for the review of tax provisions and for accounting consultations on matters reflected in the financial statements. This also includes audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.*

*“Audit-Related Fees” include fees for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and that are not included in “Audit Fees”.*

*“Tax Fees” include fees for professional services rendered by the Corporation’s auditors for tax compliance, tax advice and tax planning.*

*“All Other Fees” include fees for products and services provided by the Corporation’s auditors other than the services included in “Audit Fees”, “Audit-Related Fees” and “Tax Fees”.*

## 7. Exemption

The Corporation is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Corporation, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

**Exhibit “1”**  
**Audit Committee Charter**

**Mandate**

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting, and the Corporation's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

É serve as an independent and objective party to monitor the Corporation's financial reporting and internal control systems and review the Corporation's financial statements;

É review and appraise the performance of the Corporation's external auditors; and

É provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board of Directors.

**Composition**

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would reasonably interfere with the exercise of his or her independent judgment as a member of the Audit Committee. At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements. The members of the Audit Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting.

**Meetings**

The Audit Committee shall meet frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the external auditors.

**Responsibilities and Duties**

To fulfill its responsibilities and duties, the Audit Committee shall:

**Documents/Reports Review**

1. Review and update this Charter annually.
2. Review the Corporation's financial statements, MD&A and any annual and interim earnings, press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
3. Confirm that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.

### **External Auditors**

1. Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Corporation.
2. Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Corporation, consistent with the Independence Standards Board Standard 1.
3. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
4. Take, or recommend that the full Board of Directors, take appropriate action to oversee the independence of the external auditors.
5. Recommend to the Board of Directors the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
6. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
7. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
8. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
9. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (a) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of fees paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
  - (b) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
  - (c) such services are promptly brought to the attention of the Audit Committee by the Corporation and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee. Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

### **Financial Reporting Processes**

1. In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.
2. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
3. Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.

4. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
5. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
6. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
7. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
8. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
9. Review certification process.
10. Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

**Other**

Review any related-party transactions.



**SCHEDULE D**

**FINANCIAL STATEMENTS**

**GreenBank Capital Inc. (as at July 31, 2013)**

**- attached hereto -**

**GreenBank Capital Inc.**

**Audited Consolidated  
Financial Statements**

**Period from January 30, 2013**  
*(date of incorporation)*  
**to July 31, 2013**

*(Expressed in Canadian Dollars)*

## Independent Auditor's Report

To the Shareholders of  
GreenBank Capital Inc.

We have audited the accompanying consolidated financial statements of GreenBank Capital Inc. ("the Company"), which comprise the consolidated statement of financial position as at July 31, 2013 and 2012, and the consolidated statement of comprehensive loss, consolidated statement of changes in equity and consolidated statement of cash flows for the periods then ended and summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 financial statements.

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of GreenBank Capital Inc. as at July 31, 2013 and 2012, and its financial performance and its cash flows for the periods then ended in accordance with International Financial Reporting Standards.

### Emphasis of Matter

Without qualifying our opinion, the accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As more fully described in the notes to these financial statements, the Company has not generated revenues to date and has incurred significant losses. These conditions raise substantial doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the outcome of this uncertainty.



November 28, 2013  
Mississauga, Ontario

Licensed Public Accountants  
Chartered Accountants

**GreenBank Capital Inc.**  
**Audited Consolidated Statement of Financial Position**

*(Expressed in Canadian Dollars)*

<i>As at</i>	2013 <i>(Note 12)</i>	2012 <i>(Note 12)</i>
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 241,580	\$ -
HST recoverable	41,258	-
Prepaid expenses	29,682	-
	<b>312,520</b>	-
<b>Exploration and Evaluation Assets</b> <i>(Note 7)</i>	<b>1,985,588</b>	121,910
	<b>\$ 2,298,108</b>	<b>\$ 121,910</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade payables and accrued liabilities <i>(Note 9)</i>	293,338	-
Due to related parties <i>(Note 9)</i>	29,435	-
	<b>322,773</b>	-
<b>Equity</b>		
<b>Units Proceeds Received by Zara Resources Inc., Units Not Issued</b> <i>(Note 14)</i>	<b>100,000</b>	-
<b>Convertible Preferred Shares of Zara Resources Inc.</b> <i>(Note 8)</i>	<b>520,500</b>	124,449
<b>Common Share Capital and Reserves</b> <i>(Note 8)</i>	<b>982,001</b>	-
<b>Deficit</b>	<b>(671,364)</b>	(2,539)
<b>Total Equity Attributed to GreenBank Capital Inc. shareholders</b>	<b>931,137</b>	121,910
<b>Non-controlling interests</b> <i>(Note 11)</i>	<b>1,044,198</b>	-
	<b>1,975,335</b>	121,910
	<b>\$ 2,298,108</b>	<b>\$ 121,910</b>

Going concern *(Note 2)*

Approved by the Board:

*/s/ Daniel Wettreich*

Director

*/s Mark Wettreich*

Director

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

**GreenBank Capital Inc.**  
**Audited Consolidated Statement of Comprehensive Loss**  
*(Expressed in Canadian Dollars)*

	<b>Period from January 30, 2013 (date of incorporation) to July 31, 2013 (Note 12)</b>	<b>2012 (Note 12)</b>
<b>Operating Expenses</b>		
Transfer agent fees	\$ 19,276	\$ -
Listing and filing fees	18,907	-
Shareholder information	4,902	-
Investor relations and market research	50,600	-
Professional fees	255,791	-
Consulting expense	36,000	-
Office and general	31,696	-
Write of exploration and evaluations costs	10,000	-
Stock-based compensation	397,600	-
Management fees	128,000	-
	<b>952,772</b>	<b>-</b>
<b>Net loss and comprehensive loss</b>	<b>952,772</b>	<b>-</b>
<b>Attributed to:</b>		
Equity holders of GreenBank Capital Inc.	671,364	-
Non-controlling interests (Note 11)	281,408	-
	<b>\$ 952,772</b>	<b>\$ -</b>
Loss per share attributed to equity holders of GreenBank Capital Inc. – basic and fully diluted	\$ (0.06)	\$ -
Weighted average number of shares outstanding	14,833,533	-

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

**GreenBank Capital Inc.**  
**Audited Consolidated Statement of Changes in Equity**

(Expressed in Canadian Dollars)

	Common Share Capital		Reserves				Preferred Share Capital					Non-Controlling Interests	Total	
	Number of Shares	Amount	Warrants	Options	Common Share Capital and Reserves	Units	Number of Shares	Convertible Preferred Shares	Deficit					
Hadley Mining Inc –July 31, 2012 (Note 12)	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-	\$ (2,539)	\$ -	\$ -	\$ (2,539)
Issued for cash upon incorporation – January 30, 2013	-	\$ 1	\$ -	\$ -	\$ 1	\$ -	-	-	\$ -	-	\$ -	\$ -	-	\$ 1
Issued for non-cash consideration:														
Acquisition of common shares in Zara Resources Inc. and Hadley Mining Inc. (Note 8, 10)	25,711,457	428,400	-	-	428,400	-	-	-	-	-	-	-	-	428,400
Convertible Preferred Shares (Note 8)	-	-	-	-	-	-	520,500	520,500	-	-	-	-	-	520,500
Share-based compensation (Note 8)	-	-	-	397,600	397,600	-	-	-	-	-	-	-	-	397,600
Warrants issued by Zara Resources Inc. on private placement	-	-	122,000	-	122,000	-	-	-	-	-	-	-	-	122,000
Warrants issued by Zara Resources Inc. on debt settlement	-	-	34,000	-	34,000	-	-	-	-	-	-	-	-	34,000
Units proceeds received units not issued (Note 14)	-	-	-	-	-	100,000	-	-	-	-	-	-	-	100,000
Provided by non-controlling interests (Note 11)	-	-	-	-	-	-	-	-	-	-	-	1,325,606	-	1,325,606
Net loss for the period	-	-	-	-	-	-	-	-	-	(671,364)	-	(281,408)	-	(952,772)
<b>Balance at July 31, 2013</b>	<b>25,711,457</b>	<b>\$ 428,401</b>	<b>\$ 156,000</b>	<b>\$ 397,600</b>	<b>\$ 982,001</b>	<b>\$ 100,000</b>	<b>520,500</b>	<b>\$ 520,500</b>	<b>\$ (671,364)</b>	<b>\$ 1,044,198</b>	<b>\$ 1,975,335</b>			

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

**GreenBank Capital Inc.**

**Audited Consolidated Statement of Cash Flows**

*(Expressed in Canadian Dollars)*

*(Unaudited)*

	<b>Period from January 30, 2013 (date of incorporation) to July 31, 2013 (Note 12)</b>	
		2012 <i>(Note 12)</i>
<hr/>		
<b>Operating Activities</b>		
Net loss for the period	\$ (952,772)	\$ -
Adjustment to reconcile loss to cash flow from operations:		
Stock-based compensation	397,600	
Write-off of exploration and evaluation costs	10,000	
Settlement of trade debt with common share consideration <i>(Note 8)</i>	144,795	
Net change in non-cash working capital items:		
Trade payables and accrued liabilities	293,339	-
Prepaid expenses	(29,682)	-
HST recoverable	(41,258)	-
<b>Cash Used In Operating Activities</b>	<b>(177,978)</b>	<b>-</b>
<hr/>		
<b>Financing Activities</b>		
Issuance of common shares	1	
Cash received from unit proceeds in advance	100,000	
Cash received on asset transfers to Hadley and Zara	300,000	-
Due to related parties	29,435	-
<b>Cash Provided By Financing Activities</b>	<b>429,436</b>	<b>-</b>
<hr/>		
<b>Investing Activities</b>		
Additions to exploration and evaluation activities	(9,878)	-
<b>Cash Used In Investing Activities</b>	<b>(9,878)</b>	<b>-</b>
<hr/>		
Increase in Cash	241,580	-
Cash at beginning of Period	-	-
<b>Cash at End of Period</b>	<b>\$ 241,580</b>	<b>\$ -</b>

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

# **GreenBank Capital Inc.**

## **Notes to Audited Consolidated Financial Statements**

**Period from January 30, 2013** *(date of incorporation)* **to July 31, 2013**

*(Expressed in Canadian Dollars)*

### **1. Governing Statutes and Nature of Operations**

GreenBank Capital Inc. ("GreenBank" or "the Company") was incorporated on January 30, 2013 under the laws of the Province of British Columbia. It was incorporated as a 100% subsidiary of Winston Resources Inc. ("Winston"). Pursuant to a February 7, 2013 plan of arrangement as detailed in Note 10, Winston distributed all of its shares in GreenBank to its Winston shareholders. The Company is engaged in the business of investing in Canadian small cap publicly listed companies. The Company is a public company whose common shares are listed for trading on the CNSX under the symbol "GBC". The head office of the Company is located at 208 Queens Quay West, Suite 2506, Toronto, Ontario M5J 2Y5.

The Company has a 49.0% interest in Hadley Mining Inc. ("Hadley") and a 38.04% interest in Zara Resources Inc. ("Zara"), which includes Zara's wholly-owned subsidiary Leo Resources Inc. Although Hadley and Zara are not legal subsidiaries of the Company, they have common directors and officers giving GreenBank effective control of Hadley and Zara. Therefore IFRS requires that Hadley and Zara be consolidated into these financial statements.

### **2. Going Concern Assumption**

These financial statements have been prepared on the basis of accounting principles applicable to a going concern. The use of these principles assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The Company is newly incorporated and has recently acquired its first exploration and evaluation assets ("E&E"), as such active exploration has not commenced. It is unknown whether the E&E contain reserves that are economically recoverable. As a newly incorporated Company, that is commencing active operations; it incurs operating losses, which casts doubt about the Company's ability to continue as a going concern.

The business of exploration involves a high degree of risk, as such there is no assurance that the Company's expected exploration programs will result in profitable mining operations. Until it is determined that the E&E contain mineral reserves or resources that can be economically mined, they are classified as exploration and evaluation assets. The Company's continued existence is dependent upon the discovery of economically recoverable reserves and resources, securing and maintaining title and beneficial interest in its E&E, and making the required payments pursuant to E&E share purchase agreements. The Company has yet to generate income and cash flows from its operations. There is no assurance that the Company will be able to obtain the external financing necessary to explore, develop and bring to commercial production its E&E. The Company has no proven history of profitability, which casts doubt as to whether the Company will be able to continue as a going concern should it not be able to obtain the necessary financing to fund working capital and capital expenditures. The ability of the Company to arrange such financing in the future depends in part upon the prevailing capital market conditions as well as the business performance of the Company. If additional financing is raised by the issuance of shares from the treasury of the Company existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to relinquish rights to certain of its interests or terminate its operations.



## **GreenBank Capital Inc.**

### **Notes to Audited Consolidated Financial Statements**

**Period from January 30, 2013 (date of incorporation) to July 31, 2013**

*(Expressed in Canadian Dollars)*

#### **3. Basis of Presentation and Statement of Compliance**

##### ***Statement of Compliance***

These audited consolidated financial statements have been prepared in accordance with accounting policies in full compliance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

These audited consolidated financial statements were authorized for issuance by the Board of Directors of the Company on November 28, 2013.

##### ***Basis of Presentation***

These audited consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except fair value through profit and loss assets which are carried at fair value, and have been prepared using the accrual basis of accounting, as explained in the accounting policies set out in Note 4.

##### ***Functional and Presentation Currency***

These audited consolidated financial statements are presented in Canadian Dollars, which is also the functional currency of the Company.

#### **4. Significant Accounting Policies**

These financial statements have been prepared by management in accordance with IFRS. Outlined below are those policies considered particularly significant:

##### ***Principles of consolidation***

These consolidated financial statements include the accounts of the Company and its affiliates, of 38.04% owned Zara (including Zara's wholly-owned subsidiary Leo Resources Inc.) and 49.0% owned Hadley. The shareholdings are less than 50% in each case but the Company still maintains the practical ability to direct the relevant activities of each company as GreenBank has common directors and officers with Zara and Hadley. The financial statements of Zara and Hadley are consolidated into the GreenBank financial statements with minority interests deducted. On consolidation, all intercompany transactions and balances were eliminated.

## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 4. Significant Accounting Policies (Continued)

##### **Business Combination**

The acquisition of Hadley and Zara by the Company is a common control combination and as a result is scoped out of IFRS 3. A pooling of interests or merger accounting-type method is widely accepted in accounting for common control combinations under IFRS. Such a method is also prescribed under US generally accepted accounting practice (GAAP) (SFAS 141 Business Combinations paragraphs D11 to D18). Management considers this approach to be available through application of IAS 8.12, which allows management to consider the most recent pronouncements of other standard-setting bodies that use a similar conceptual framework in developing an accounting policy and where IFRS has no specific requirements. Under the SFAS 141 approach, the comparative periods are restated only for those periods in which common control existed.

Under a pooling of interests-type method, the acquirer accounts for the combination as follows:

- (i) The assets and liabilities of the acquiree are recorded at book value not fair value except that adjustments are recorded to achieve uniform accounting policies;
- (ii) Intangible assets and contingent liabilities are recognized only to the extent that they were recognized by the acquiree in accordance with applicable IFRS (in particular IAS 38);
- (iii) No goodwill is recorded. The difference between the acquirer's cost of investment and the acquiree's equity is presented separately within other comprehensive income on consolidation;
- (iv) Any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities (as adjusted to achieve uniform accounting policies);
- (v) Any expenses of the combination are written off immediately in the statement of comprehensive income; and
- (vi) comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

##### **Significant Estimates and Judgments**

The preparation of these audited financial statements requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses.

# GreenBank Capital Inc.

## Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

### 4. Significant Accounting Policies (Continued)

Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. The most significant estimates relate to impairment assessments of E&E, recoverability of HST and the valuation of share-based payments. The most significant judgements relate to the use of the going concern assumption in the preparation of the financial statements, the recognition of deferred income tax assets and liabilities, and the determination of the economic viability of exploration and evaluation assets.

#### **Related Party Transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be Individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

#### **Deferred Income Taxes**

Deferred income taxes are provided using the liability method on temporary differences at the end of each reporting period. These taxes represent the differences between the tax bases of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, the carry forward of unused income tax credits and unused income tax losses, to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the income tax rates that are expected to apply in the year in which the asset is to be realized or the liability is to be settled. The expected income tax rate utilized is based upon income tax laws that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred income tax assets and liabilities are measured at the income tax rates that are expected to apply in the year in which the asset is to be realized or the liability is to be settled. The expected income tax rate utilized is based upon income tax laws that have been enacted or substantively enacted at the date of the statement of financial position.

## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 4. Significant Accounting Policies (Continued)

##### **Deferred Income Taxes** (continued)

The deferred income taxes related to equity transactions are recognized directly in equity and not in the statement of comprehensive income.

Deferred income tax assets and liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

##### **Impairment of Non-Financial Assets**

At each date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the statement of comprehensive income in the period of impairment, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years.

##### **Exploration and Evaluations Assets (“E&E”)**

E&E assets consist of exploration and mining concessions, options and contracts. Acquisition costs, lease costs and exploration costs are capitalized and deferred until such time as the property is put into production or the properties are disposed of either through sale or abandonment.

## **GreenBank Capital Inc.**

### **Notes to Audited Consolidated Financial Statements**

**Period from January 30, 2013 (date of incorporation) to July 31, 2013**

*(Expressed in Canadian Dollars)*

#### **4. Significant Accounting Policies (Continued)**

E&E costs consist of:

- Acquisition of exploration properties;
- Gathering exploration data through topographical and geological studies;
- Exploratory drilling, trenching and sampling;
- Determining the volume and grade of the resource;
- Test work on geology, metallurgy, mining, geotechnical and environmental; and
- Conducting engineering, marketing and financial studies.

#### ***Equity Settled Share-Based Payment Transactions***

The costs of equity settled transactions are recognized, together with a corresponding increase in equity, over the period in which the goods or services are received. The Company measures the goods or services received, unless that fair value cannot be estimated reliably. When the Company cannot estimate reliably the fair value of the goods or services received then the Company measures their fair value and the corresponding increase in equity by reference to the fair value of the equity instruments issued as payment.

#### ***Share Capital***

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary common shares are classified as equity instruments along with preferred shares issued by its subsidiaries. Incremental direct costs directly attributable to the issue of new shares are recognized in equity as reductions from the gross proceeds received from the issued shares.

#### ***Financial instruments***

##### Fair value through profit or loss

Financial assets that are held with the intention of generating profits in the near term and derivative contracts that are financial assets, except for a derivative that is a designated and effective hedging instrument, are classified as held for trading. In addition, any other financial assets can be designated by the Company upon initial recognition as held for trading. These instruments are subsequently re-measured at fair value with the change in the fair value recognized in net income or expense during the period.

##### 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 initially recognized at fair value plus any directly attributable transactions costs. Subsequent to initial recognition loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses.

# GreenBank Capital Inc.

## Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

### 4. Significant Accounting Policies (Continued)

#### ***Financial instruments***

##### Other financial liabilities:

Other financial liabilities are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired.

##### Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. Available-for-sale financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income and reported within the available-for-sale reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognized in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognized in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method is recognized in profit or loss.

Reversals of impairment losses are recognized in other comprehensive income; except for financial assets that are debt securities which are recognized in profit or loss only if the reversal can be objectively related to an event occurring after the impairment loss was recognized.

##### Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# GreenBank Capital Inc.

## Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

### 4. Significant Accounting Policies (Continued)

#### **Loss Per Share and Comprehensive Loss Per Share**

Comprehensive loss per share is calculated based on the weighted average number of shares issued and outstanding during the quarter or year, as appropriate. In the years when the Company reports a net loss and comprehensive net loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive and, therefore, basic and diluted loss per share is the same. For the period ended April 30, 2013, all the outstanding options were anti-dilutive.

#### **Foreign Currency Transactions**

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of each entity is the Canadian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation when items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of the monetary assets and liabilities denominated in foreign currencies are recognized in operations. The Company is not exposed to currency risks as it has no foreign currency denominated working capital balances or any other foreign currency activities.

#### **Preferred Shares**

In accordance with IAS 32, GreenBank has accounted for the Zara convertible preferred shares as equity as the preferred shares are non-redeemable and only convertible into common shares of Zara at Zara's option. The interest on the Zara Preferred are payable in common shares of Zara and are accrued and paid annually.

#### **Future Accounting Policies**

At the date of authorization of these Financial Statements, the IASB has issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting period.

- IFRS 9 '*Financial Instruments: Classification and Measurement*' – effective for annual periods beginning on or after January 1, 2015, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.
- IFRS 10 '*Consolidated Financial Statements*' – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
- IAS 32 '*Financial instruments, Presentation*' – In December 2011, effective for annual periods beginning on or after January 1, 2013, IAS 32 was amended to clarify the requirements for offsetting financial assets and liabilities. The amendments clarify that the right of offset must be available on the current date and cannot be contingent on a future date.

## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 4. Significant Accounting Policies (Continued)

- IFRS 13 'Fair Value Measurement' - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy.

The Company has not early adopted these standards. The Company is currently assessing the impact the application of these standards may have on the consolidated financial statements of the Company.

#### 5. Financial Instruments and Risk Management

The Company has designated its cash at fair value through profit and loss as Level 1 under the fair value hierarchy. Trade payables and accrued liabilities and due to related parties are classified as other financial liabilities whereby they are initially recognized at fair value and then measured at amortized cost.

##### **Financial Risk Management Objectives and Policies**

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

##### **Financial Risks**

The Company's main financial risk exposure and its financial risk management policies are as follows:

##### **Market risk**

Market risk is the risk of uncertainty arising primarily from possible precious metals and commodity market price movements and their impact on the future economic viability of the Company's projects and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly

##### **Fair value risk**

Fair value risk is the potential for fair value fluctuations in the value of a financial instrument. The level of market risk to which the Company is exposed varies depending on market conditions, and expectations of future price and yield movements. The Company believes the carrying amounts of its financial assets and financial liabilities are a reasonable approximation of fair value.



## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 5. Financial Instruments and Risk Management (continued)

##### **Liquidity risk**

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. As at July 31, 2013, the Company had \$293,338 in cash. The Company anticipates having sufficient funds to pursue and evaluate new investment opportunities and meet its corporate and administrative expenses for the next twelve months. The Company will be seeking additional equity capital. There is no guarantee that market conditions will be conducive to raising such additional equity capital.

#### 6. Capital Management

The Company's objective in managing capital is to ensure continuity as a going-concern and to safeguard its ability to continue its acquisition and exploration programs. The Company manages its capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company defines its capital as its shareholder's equity. To effectively manage the Company's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. As needed, the Company raises funds through private placements or other equity financings. The Company does not utilize long term debt as the Company does not currently generate operating revenues. There is no dividend policy.

#### 7. Exploration and Evaluation Assets

	Balance at January 30, 2013 (date of Incorporation)	Property Acquisition Costs	Exploration Expenditures	Disposals	Balance at July 31, 2013
<b>Ontario</b>					
Riverbank	\$ -	\$ 358,000	\$ -	\$ -	\$ 358,000
Etamame	-	334,700	-	-	334,700
Pigeon River	-	700,000	2,400	-	702,400
Forge Lake	-	584,444	6,044	-	590,488
	\$ -	\$ 1,977,144	\$ 8,444	\$ -	\$ 1,985,588

Under the pooling of interests method, the balance in exploration and evaluation assets at July 31, 2012, represents the Hadley property Etamame in the amount of \$121,910.

## **GreenBank Capital Inc.**

### **Notes to Audited Consolidated Financial Statements**

**Period from January 30, 2013 (date of incorporation) to July 31, 2013**

*(Expressed in Canadian Dollars)*

#### **7. Exploration and Evaluation Assets (continued)**

##### ***Riverbank***

The property is located in Sachigo sub-province, Ontario. The Riverbank property consists of 8 unpatented mining claims covering approximately 1392 ha. Zara can obtain an initial 51% undivided interest in the Properties by incurring a minimum of \$1,600,000 in work expenditures by no later than December 31, 2014. Following that, Melkior has the right to elect to form a joint venture with Zara. Should Melkior not elect to form a joint venture on the Properties, Zara will have the option to acquire an additional 19% interest (for a total 70% undivided interest in the Properties) by incurring an additional \$1,000,000 in work expenditures on the Properties within twenty-four months

On January 23, 2013, Zara completed the acquisition of the 100% Riverbank claims from Melkior. The consideration was \$68,000 payable by the issuance of 225,000 common shares of Zara at a deemed price of \$0.10 per share and 455,000 non-voting 5% convertible Series A preferred shares of Zara at a deemed price of \$0.10 per share. The preference shares annual yield will be payable in common shares of Zara at the prevailing market price, and are convertible at the discretion of Zara into common shares of Zara at the market price at the time of conversion. Riverbank is also subject to a pre-existing 2% NSR.

##### ***Etamame***

Etamame consists of 10 claim blocks totaling 142 claim units that have not previously been drilled. Winston acquired 100% of Hadley in July 2012, which owns 100% of the Etamame Lake Nickel Project located in the Lingman Lake Greenstone belt area about 38 kilometers south-west of Sachigo Lake in Northwestern Ontario. It also acquired a geophysical airborne survey (the "Airborne Survey") carried out over Etamame.

##### ***Pigeon River***

On January 7, 2013, Zara acquired 100% of the Pigeon River claims from Pele Mountain Resources ("Pele") for a purchase price of \$700,000. The Pigeon River property is located in the Southern Province of the Precambrian Shield area of northern-western Ontario, and is located near Thunder Bay, Ontario. The property consists of 28 unpatented mining claims covering approximately 6,688 hectares.

The purchase price was paid by the issuance of 2,250,000 common shares of Zara at a deemed price of \$0.10 per share and 4,750,000 non-voting 5% convertible Series B preferred shares of Zara at deemed price of \$0.10 per share. The preference shares annual yield will be payable in common shares of Zara at the prevailing market price. The property is also subject to a 2% NSR of which 0.5% is granted to Pele and 1.5% is granted to 2212150 Ontario Inc. (operating as Vanex Exploration). The 2,250,000 Zara common shares were valued at \$225,000 and Series B non-voting convertible 5% preference shares of Zara were valued at \$475,000.

## **GreenBank Capital Inc.**

### **Notes to Audited Consolidated Financial Statements**

**Period from January 30, 2013** (*date of incorporation*) **to July 31, 2013**

*(Expressed in Canadian Dollars)*

#### **7. Exploration and Evaluation Assets** (continued)

##### **Forge Lake**

On April 16, 2013, Zara completed the acquisition of 100% of the Forge Lake Gold Project located in Ontario from Hudson River Minerals Ltd ("HRM") for the sum of \$583,010. Zara acquired the property by the purchase of all the rights, title and interest to that certain Mineral Exploration Agreement dated November 1, 2011 ("the Licence") between HRM and 3011650 Nova Scotia Ltd. ("Licensor"). The License is subject to an original 5 years with an extension for a further 5 years and the right to convert from a license into a lease with rights to enter commercial production. If the property goes into production, there is a 3.0% royalty, of which the first 1% can be purchased for \$1 Million and the second 1% can be re-purchased for \$1 Million for each 0.5%. As consideration, Zara issued HRM 5,715,780 common shares at a deemed price of \$0.10 per common share. The consideration is subject to an agreement whereby HRM distributes the shares to its shareholders within 18 months and until such time distribution takes place the shares cannot be sold and voting rights are to be exercised by Danny Wettreich, the CEO of Zara, under a voting rights agreement.

In addition, Zara issued 2% of the \$583,010 value to the Licensor or \$11,432 payable through the issue of 114,316 common shares during the period and guarantees three years of license and tax payments to the Licensor.

#### **8. Share Capital**

The Company's authorized share capital includes:

- (i) an unlimited number of common shares without par value;
- (ii) an unlimited number of \$1 non-voting preferred shares
- (iii) The Company's affiliate, Zara Resources Inc. ("Zara") has issued  
455,000 non-voting 5% convertible Series A preferred shares, and  
4,750,000 non-voting 5% convertible Series B preferred shares

The 5% annual yield on each series will be payable in common shares of Zara at the prevailing market price, and are convertible at the discretion of Zara into common shares at the market price at the time of conversion.

Under the pooling of interests method, the balance in the common share capital at July 31, 2012, represents the common share capital of Hadley in the amount of \$121,910.

**GreenBank Capital Inc.**

**Notes to Audited Consolidated Financial Statements**

**Period from January 30, 2013 (date of incorporation) to July 31, 2013**

*(Expressed in Canadian Dollars)*

**8. Share Capital (continued)**

**(i) Common**

	Number of shares		Amount
<b>Common shares issued for cash</b>			
Upon incorporation – January 30, 2013	1	\$	1
<b>Common shares issued for non-cash</b>			
On acquisition of common shares of Zara and Hadley (Note 10)	25,711,457		428,400
<b>Balance July 31, 2013</b>	<b>25,711,458</b>	<b>\$</b>	<b>428,401</b>

**(ii) Zara Non-Voting 5% Convertible Preferred Shares – Series A and B**

	Number of shares		Amount
<b>Issued for Non-Cash</b>			
<b>Series A</b> - Exploration and evaluation assets (Note 7)	455,000	\$	45,500
<b>Series B</b> - Exploration and evaluation assets (Note 7)	4,750,000	\$	475,000
<b>Balance July 31, 2013</b>	<b>5,205,000</b>	<b>\$</b>	<b>520,500</b>

**Stock Options**

The Company has a stock option plan in place under which the Board of Directors may grant options to acquire common shares of the Company to qualified directors, officers, employees and other service providers. The stock options vest according to the provisions of the individual option agreements approved by the directors' resolutions and have a maximum life of ten years. The plan allows for the issuance of up to 10% of the number of issued and outstanding common shares of the Company at any time on a non-diluted basis.

The following table summarizes the activity in the Plan over the period.

	Fair Value	Number of Options	Weighted Average Exercise Price
Granted – December 28, 2012 (Zara.)	170,800	2,450,000	0.10
Granted – December 28, 2012 (Hadley)	170,800	2,450,000	0.10
Granted – May 30, 2013	26,000	2,500,000	0.05
Granted – June 21, 2013 (Zara)	30,000	400,000	0.12
<b>Outstanding, July 31, 2013</b>	<b>\$397,600</b>	<b>7,800,000</b>	<b>\$ 0.085</b>
<b>Exercisable, July 31, 2013</b>	<b>\$397,600</b>	<b>7,800,000</b>	

## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 8. Share Capital (continued)

##### Stock Options (continued)

The fair value of \$397,600 was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield rate of 0%, forfeiture rate of 0%, volatility ranging from 105% to 109%, risk free rate ranging from 1.08% to 1.48%, and an executed life ranging from 2 to 5 years. At July 31, 2013, there were 7,800,000 vested options.

The following table sets out the details of the stock options granted and outstanding as at July 31, 2013:

Number of stock options		Remaining contractual life	Exercise price per share	Expiry Date
800,000	Zara	1.41 years	0.10	December 28, 2014
800,000	Hadley	1.41 years	0.10	December 28, 2014
1,650,000	Zara	4.41 years	0.10	December 28, 2017
1,650,000	Hadley	4.41 years	0.10	December 28, 2017
2,000,000		4.83 years	0.05	May 30, 2018
500,000		1.83 years	0.05	May 30, 2015
400,000	Zara	1.89 years	0.12	June 21, 2015
<b>7,800,000</b>		<b>3.61 years</b>	<b>\$0.085</b>	

#### 9. Related Party Transactions and Remuneration

Related party transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. The amount of the due to related parties at July 31, 2013 in the amount of \$29,435 is comprised of a payable to a director in the amount of \$845, due to a private company controlled by a director in the amount of \$27,000 and due to Winston Resources Inc. of \$1,590 are payable on demand and is interest-free.

The Company incurred management fees expenses of \$128,000 to a private company controlled by an officer, for the provision of management services. As at July 31, 2013, the amount of \$144,640 was owed thereto and has been included in trade payables and accrued liabilities.

## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 10. Plans of Arrangement

- (i) On February 8, 2013, GreenBank entered into a Plan of Arrangement (the "Winston Plan") and acquired certain assets from Winston, its then parent company. Under the terms of the Winston Plan, GreenBank issued 25,711,457 common shares to Winston in exchange for 13,460,000 common shares of Zara and 12,250,000 common shares of Hadley. In addition, the Winston board of directors approved a spinoff to its shareholders 100% of its wholly-owned subsidiary GreenBank. The GreenBank common shares were transferred to Winston shareholders at the rate of one GreenBank share for every 2.567 Winston shares.

A special meeting of Winston shareholders was held on April 15, 2013 at which the shareholders voted and approved the Winston Plan. Court approval was also obtained and spin-off was completed shortly thereafter. The Company is no longer a subsidiary of Winston. On April 17, 2013, the Company announced its common shares were now listed on the CNSX under the symbol "GBC".

All costs and expenses of the transactions under the Winston Plan, including legal, financial advisory, regulatory, printing and mailing costs, were paid and borne by Winston.

- (ii) On March 20, 2013, the Company's affiliate Zara entered into a purchase agreement with its own subsidiary Leo Resources Inc. ("Leo") Under the terms of the Agreement, Leo agreed to purchase from the Zara, all of Zara's rights, interests, obligations and benefits of the Riverbank property ("Riverbank") for \$358,000. The Riverbank property consists of 8 unpatented mining claims comprising 87 claim units covering an area of approximately 1,392 hectares. The claims are located in the Kasabonika-McFauld's Greenstone Belt about 550 km northeast of Thunder Bay and 350 north of Geraldton, Ontario. Riverbank is subject to a pre-existing 2% NSR payable to Melkior Resources Inc. (TSXV: "MKR").

In consideration, Leo will issue 13,737,500 common shares of Leo to Zara at an attributed issue price of \$0.02606 per share for a total of \$358,000. In addition, as part of the Agreement, Leo will issue at closing to Zara, 100,000 Series A preferred shares for the sum of \$100,000 cash.

On March 20, 2013, Zara announced that its board of directors has unanimously approved a proposal to spin-off to its shareholders 100% of its shares in Leo. Following the spin-off, Leo will apply for listing its common shares on the CNSX. The spin-off will be transacted by way of a statutory plan of arrangement (the "Leo Plan") under the Business Corporations Act (British Columbia). Pursuant to the terms of the Leo Plan, Zara will distribute 13,737,500 common shares of Leo to holders of common shares of the Zara on the Share Distribution Record Date. Each Zara shareholder of record on the Share Distribution Record Date will receive 1 common share in the capital of Leo for every 2 common shares in the capital of Zara.

## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 10. Plans of Arrangement (continued)

A Special Meeting ("Meeting") of the Zara shareholders was held on May 14, 2013 at which time the shareholders voted to approve Leo Plan and a continuance of Zara into British Columbia. The spin-off is subject to numerous conditions including court approval, and completion of all regulatory filings. The continuance, once granted, will facilitate the spin off by way of statutory plan of arrangement under the Business Corporations Act of British Columbia. Subsequent to the period end, consent for the continuance was granted in Ontario and it is presently being processed in British Columbia. Upon completion of the spinoff, Leo will no longer be a subsidiary of Zara, and Zara will no longer have any interest in the Riverbank property. As a result, the Riverbank mineral properties asset in the amount of \$358,000 will be removed from the financial statements of Zara. The exploration expenditures recommended in the Riverbank NI43-101 Report with a budget of \$627,000 will then be the responsibility of Leo and will no longer be the responsibility of Zara, and Zara will no longer be required to raise further equity to finance such exploration expenditures. Leo will need to raise further equity to finance the recommended Riverbank exploration expenditures. Upon the distribution of the Leo common shares pursuant to the plan of arrangement, the shareholders of Zara will receive 100% of the shares of Leo, and GreenBank will thereby own approximately the same percentage of Leo as it currently owns in Zara. Consequently GreenBank will still own a similar pro rata interest in the Riverbank property through its interest in Leo as it currently owns through its interest in Zara. Accordingly, the impact on the financial statements of GreenBank will be minimal.

#### 11. Non-Controlling Interests

	Hadley Mining Inc.	Zara Resources Inc.	Total
Share of net loss	\$ (58,238)	\$ (223,170)	\$ (281,408)
Contributions	221,700	1,103,906	1,325,606
Balance – July 31, 2013	\$ 163,462	\$ 880,736	\$ 1,044,198

#### 12. Pooling of Interests

Under the pooling of interest method, the comparative figures are presented as if the entities had been combined for the period in which the merging entities were placed under common control. The consolidated statements of loss and cash flow for the period ended July 31, 2013 includes GreenBank from January 30, 2013 (date of incorporation) to July 31, 2013, Zara from October 9, 2012 (date of incorporation) to July 31, 2013, and Hadley from August 1, 2012 to July 31, 2013.

The July 31, 2012 statement of financial position represents only Hadley's statement of financial position as it was the only company in existence as at that date. Hadley had no operations for the year ended July 31, 2012, as such its deficit arose prior to the comparative period presented.

## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 13. Income Taxes

The Company's income tax provision differs from the amount resulting from the application of the Canadian statutory income tax rate. A reconciliation of the combined Canadian federal and provincial income tax rates with the Company's effective tax rate is as follows:

	2013
Loss before income taxes	\$ (952,772)
Combined statutory rate	26.50%
	(252,000)
Permanent differences, non deductible	107,000
Valuation allowance	145,000
	\$ -

The Company has \$93,000 in non-capital losses carry-forward expiring in 2033.

#### **Deferred income tax assets**

The tax effects of temporary differences that give rise to significant portions of future tax assets are as follows:

	2013
Mineral properties exploration	\$ 122,000
Non-Capital loss	23,000
Less: valuation allowance	(145,000)
	\$ -

#### 14. Units Proceeds Received, Units Not Issued

On July 31, 2013, the Company's subsidiary, Zara, received \$100,000 proceeds in advance of an August 1, 2013 private placement of 833,333 Units at a value of \$0.12 per Unit. Each Unit consists of one Series C Preferred Share plus two common share purchase warrants ("Common Warrant"). Each Common Warrant is exercisable into one common share for cash consideration of \$0.18. These Common Warrants expire thirty-six months from their date of issue, being August 1, 2013.



## GreenBank Capital Inc.

### Notes to Audited Consolidated Financial Statements

Period from January 30, 2013 (date of incorporation) to July 31, 2013

(Expressed in Canadian Dollars)

#### 15. Events after the Reporting Period

- (i) On August 2, 2013 the Leo Plan was approved by the Supreme Court of British Columbia and the purchase by Leo of Riverbank and the spin off to Zara shareholders was completed. Accordingly Leo is no longer a subsidiary of the Company and the Riverbank property is no longer owned by the Company. Leo was listed on the CNSX on August 16, 2013.
- (ii) On August 19, 2013 Zara announced its intention to offer to acquire shares of Visible Gold Mines Inc. ("Visible"), Greencastle Resources Ltd. ("Greencastle"), and Altai Resources Inc. ("Altai") (collectively the "Targets"). By take over bid circular dated August 26, 2013, Zara is offering to acquire Shares of the Targets in consideration of the issuance of Zara common shares as follows:

Target	Offer Price	Consideration Payable
Visible	\$0.05 per Visible Share	0.4167 Zara Shares
Greencastle	\$0.14 per Greencastle Share	1.667 Zara Shares
Altai	\$0.17 per Altai Share	1.4167 Zara Shares

The Offer is conditional on, among other things, there being validly deposited under the Offer and not withdrawn at the expiry time, such number of shares of the respective Targets that constitutes at least 50% plus one share, of the outstanding shares of the respective Targets, excluding in the case of Visible the shares beneficially owned by Zara and its related parties (if any).

- (iii) On August 26, 2013 the Company announced they retained the services of a third party corporation to provide information agent and advisory services in connection with the Company's simultaneous offers for 100% of Visible, Greencastle and Altai. The compensation upon closing of the acquisition is an estimated \$275,000.
- (iv) On September 13, 2013, the Bureau de Decision et de Revision (Quebec) ("BDR") issued a cease trade order on the Company's simultaneous bid for Visible, Greencastle and Altai pending correction and translation of all offer documents into French and review by the Autorité des marchés financiers ("AMF").  
The Company is currently working on completing French versions of the offer documents at which time there is approval, the offers will be extended and shareholders of all target companies will be notified of the new expiry date.
- (v) On November 5, 2013, the Company announced that its directors approved a share consolidation of its common shares on the basis on one new common share for five old common shares to be effective on November 15, 2013.
- (vi) On November 27, 2013 the Company completed a non-brokered private placement with a director of the company consisting of 2,000,000 units at a price of \$.05 per Unit, for gross proceeds of \$100,000. Each unit consists of one common share and one common share warrant. Each warrant is exercisable for 36 months after closing at an exercise price of \$.05.

**SCHEDULE E**  
**MANAGEMENT DISCUSSION & INFORMATION**

**GreenBank Capital Inc. (as at July 31, 2013)**

**- attached hereto -**



**MANAGEMENT DISCUSSION & ANALYSIS**

**FOR THE PERIOD JANUARY 30, 2013 (date of incorporation) TO JULY 31, 2013**

**(Prepared by Management on November 28, 2013)**

**208 Queens Quay West, Suite 2506**

**Toronto, Ontario, M5J2Y5**

**Tel: (647) 931-9768**

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A) AS OF JULY 31, 2013 TO ACCOMPANY THE AUDITED FINANCIAL STATEMENTS OF GREENBANK CAPITAL INC (THE "COMPANY" OR "GREENBANK") FOR THE PERIOD ENDED JULY 31, 2013.

The following Management's Discussion and Analysis should be read in conjunction with the audited combined financial statements of the Company for the period from January 30, 2013 to July 31, 2013, which were prepared in accordance with International Financial Reporting Standards ("IFRS") and the notes thereto. All financial amounts are stated in Canadian currency unless stated otherwise.

This MD&A contains certain forward-looking statements based on the best beliefs, and reasonable assumptions of the management of the Company. There are many risks and uncertainties attached to the mineral exploration business. Given these risks and uncertainties, the reader should not place undue reliance on these forward-looking statements. (See "Risks and Uncertainties" in this MD&A for more information).

## DESCRIPTION OF THE BUSINESS

### Overview

GreenBank was formed January 30, 2013 as a corporate finance investment business focusing on investing in Canadian small cap publicly listed companies. It has special expertise and experience in creating and listing companies on the Canadian National Stock Exchange ("CNSX"), which it can do quickly and inexpensively. Formed as a result of a spin-off from Winston Resources Inc. (CNSX: WRW) ("Winston") in the first quarter of 2013, GreenBank facilitates mergers and acquisitions, participating with equity in the transactions as appropriate.

GreenBank became publicly listed on the Canadian National Stock Exchange April 19, 2013 (CNSX: GBC). At listing its investment portfolio comprised of 49% of Zara Resources Inc (CNSX:ZRI) ("Zara") and 49% of Hadley Mining Inc (CNSX:HM) ("Hadley") both mineral development companies with interests in gold, nickel and copper properties. Subsequent to listing, Zara issued common shares for acquisitions, private placements and debt payments, and as of the date of the MD&A the GreenBank percentage of Zara has been diluted to 35.11%. GreenBank's business model includes adding to its investment portfolio through participation in innovative equity and mergers and acquisitions transactions. Due to the significant interest that GreenBank has in Zara and Hadley it consolidates these companies operations.

Zara Resources is a minerals company incorporated October 9, 2012 focusing its main efforts on exploring and developing its 100% owned Pigeon River nickel-copper and Forge Lake gold properties in Ontario. Through its subsidiary Leo Resources Inc ("Leo"), during the period under review, Zara also owned 100% of the Riverbank nickel-copper property in Ontario. Subsequent to the period under review, on August 2, 2013, all the shares of Leo were distributed to shareholders of Zara by way of a plan of arrangement (see "Leo Resources Spin Off"). The NI43-101 Technical reports for Pigeon River, Forge Lake, and Riverbank are available under Zara's profile on SEDAR at [www.sedar.com](http://www.sedar.com), and on the Company's website.

On June 10, 2013, Zara announced an offer (the "Offer") to purchase the common shares of Visible Gold Mines Inc. (TSXV: VGD) ("Visible") at a price of \$0.03375 per Visible share. The offer, which was available to Visible shareholders who are Accredited Investors, was to purchase up to 11,369,767 Visible shares representing up to 19.9% of the issued and outstanding common shares of Visible at a price of \$0.03375 per share to be satisfied by the issuance of Zara shares. The Offer remained open until July 25, 2013 at which time it expired.

On August 19, 2013 Zara announced its intention to offer to acquire shares of Visible, Greencastle Resources Ltd. (“Greencastle”), and Altai Resources Inc. (“Altai”) (collectively the “Targets”). By an Offer Circular dated August 26, 2013, Zara offered to acquire Shares of the Targets in consideration of the issuance of Zara common shares as follows:

<b>Target</b>	<b>Offer Price</b>	<b>Consideration Payable</b>
Visible	\$0.05 per Visible Share	0.4167 Zara Shares
Greencastle	\$0.14 per Greencastle Share	1.667 Zara Shares
Altai	\$0.17 per Altai Share	1.4167 Zara Shares

The Offer is conditional on, among other things, there being validly deposited under the Offer and Not withdrawn at the expiry time, such number of shares of the respective Targets that constitutes at least 50% plus one share, of the outstanding shares of the respective Targets, excluding shares beneficially owned by Zara and its directors. On September 13, 2013, the Bureau de Decision et de Revision (Quebec) (“BDR”) issued a cease trade order on Zara’s simultaneous bid for Visible, Greencastle and Altai pending correction and translation of all offer documents into French and review by staff of the Autorité des marchés financiers (“AMF”). Zara is currently working on correcting and translating the offer documents and, when approval is received, the offers will be extended and shareholders of all target companies will be notified of the new expiry date.

Hadley owns 100% of the Etamame Lake Nickel Project located in the Lingman Lake Greenstone belt area about 38 kilometres south-west of Sachigo Lake in Northwestern Ontario, Canada. This is a highly prospective potential nickel deposit, and a geophysical airborne survey has identified numerous prospective targets associated with strong magnetic anomalies. The NI43-101 Technical Report on the property is available on Hadley's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.HadleyMining.com](http://www.HadleyMining.com). During the period the former parent company of Hadley, Winston Resources Inc (“Winston”) completed a spin off to its shareholders of a portion of its holdings in Hadley. The spin-off was transacted by way of a statutory plan of arrangement (the "Plan of Arrangement") under the Business Corporations Act (British Columbia). Pursuant to the terms of the Plan of Arrangement, Winston distributed approximately 10% of the outstanding common shares of Hadley to holders of common shares of Winston such that each Winston shareholder of record on the effective date of the Plan of Arrangement received one common share in the capital of each of Hadley for every twenty-five common shares in the capital of Winston. As a result, Hadley Mining was listed as a stand-alone public company on the CNSX on December 10, 2012. Following a subsequent spin off by Winston of GreenBank Capital Inc (“GreenBank”), Winston owns 40.67% of Hadley and GreenBank owns 49% of Hadley. Management of Hadley has focused upon progressing the Etamame Nickel Project. Discussions are underway with the local First Nations tribes in the area relating to the logistics of drilling the project and establishing a nickel resource at Etamame Lake.

### **Corporate Structure**

On February 8, 2013, GreenBank’s former parent company, Winston announced a proposal to spin off to its shareholders 100% of its holdings of its wholly-owned subsidiary, GreenBank. A Special Meeting of Winston shareholders was held on April 15, 2013 at which the shareholders voted on and approved a special resolution approving the spin-off of GreenBank. The spin-off was transacted by way of a statutory plan of arrangement under the Business Corporations Act (British Columbia), and GreenBank began trading as a public company on the CNSX under the symbol “GBC” on April 17, 2013. GreenBank ceased to be a subsidiary of Winston at the time of listing. Winston then distributed 100% of the

outstanding 25,711,457 common shares of GreenBank to holders of common shares of Winston such that each Winston shareholder of record on the effective date of the Plan of Arrangement received 1 common share in the capital of GreenBank for every 2.562 common shares in the capital of Winston.

On November 15, 2013 GreenBank effected a share consolidation of its common shares on the basis of one “new” common share for five “old” common shares. All outstanding options and warrants were adjusted to reflect the consolidation ratio, with their respective prices being multiplied by five. Following consolidation GreenBank has 4,142,460 common shares issued and outstanding.

On November 27, 2013 GreenBank completed a non-brokered private placement with Mark Wettreich, a director of the Company, of 2,000,000 Units (each a “Unit”) of GreenBank at a price of \$0.05 per Unit, for proceeds of \$100,000. Each Unit consists of one common share in the capital of GreenBank and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional common share in the capital of Winston at an exercise price of \$0.05, for 36 months after closing. The proceeds of the Private Placement will be used for working capital purposes. Following the private placement GreenBank has 7,142,460 common shares issued and outstanding.

### **GreenBank Investment Portfolio.**

- Zara Resource Inc. (CNSX: “ZRI”) is a Toronto based mineral company developing its Forge Lake gold project, and its Pigeon River and Riverbank nickel-copper projects in Ontario, Canada. GreenBank owned 49% of Zara on April 15, 2013. On April 16, 2013 Zara issued shares in connection with the acquisition of Forge Lake at which time the percentage owned by GreenBank declined to 40.41%. GreenBank currently owns approximately 35.11% of the issued and outstanding common shares of Zara Resources. For more information about Zara Resources, visit the company’s webpage at [www.ZaraResourcesInc.com](http://www.ZaraResourcesInc.com)
- Hadley Mining Inc. (CNSX: “HM”) is a Toronto based mineral company primarily focused on developing its 100% owned Etamame Nickel project, in Northwestern Ontario, Canada. At the time of this report, GreenBank owns approximately 49% of the issued and outstanding common shares of Hadley Mining. For more information about Hadley Mining, visit the company’s webpage at [www.HadleyMining.com](http://www.HadleyMining.com)

### **Rights Offering**

On April 22, 2013, GreenBank announced that the Company will file a rights offering circular with the securities regulators in each of the provinces of Canada (with the exception of Quebec) in respect of a rights offering which will be used for general corporate purposes. Under the Offering, each registered holder of common shares of the Company as of the record date of May 13, 2013 will receive one right for each share held. Four rights plus the sum of \$0.015 are required to subscribe for one share. The Rights, which are non-transferable, will expire on a date to be announced, after which unexercised Rights will be void and without value. Shareholders who fully exercise their Rights may subscribe for any additional Shares not otherwise subscribed for before the Expiry Date. The Offering is subject to regulatory approval and to the CNSX listing the common shares of the company underlying the Rights. The Offering will be made in jurisdictions where the Company is eligible to make such an offering. To subscribe for Shares, a completed Rights Certificate, together with payment in full of the Subscription Price of the Shares subscribed for, must be received by the Subscription Agent for the Offering before the Expiry Date. Danny Wettreich, Chairman and CEO of the Company, has advised the Company that he intends to fully exercise his Rights under the Proposed Offering and has entered into a stand-by commitment agreement to subscribe for those Rights Shares not otherwise subscribed for on the exercise of Rights. After the period under review, on May 28, 2013, GreenBank announced that the Rights Offering

Subscription Price of \$0.015 per Rights Share has been adjusted to \$0.005 to reflect the latest trading price of the Common Shares on the CNSX, and that the offering will raise gross proceeds of \$32,139 to be used for general corporate purposes. On September 13, 2013 GreenBank announced that it will not proceed with the rights offering and will seek to raise additional working capital by way of private placement and/or borrowing.

## **INTEREST IN MINERAL PROPERTIES**

The full capitalized cost of the mineral properties is reflected in the financial statements of Zara and Hadley. By way of its minority investments in Zara and Hadley, the Company is deemed to have an interest in the mineral properties owned by those companies. Details of those mineral properties are as follows:-

### **Zara-Riverbank Property**

Riverbank is located in Sachigo sub-province, Ontario and consists of 8 unpatented mining claims covering approximately 1392 ha. The property is located in the Kasabonika-McFauld's Greenstone belt, part of the Precambrian Shield area of Northwestern Ontario, approximately 540 km north-north east of Thunder Bay, Ontario and 350 km north of Geraldton, Ontario. The project area is located along the western margin of the James Bay Lowlands within the Tundra Transition Zone consisting primarily of string bog and muskeg whereby the water table is very near the surface. Average elevation is approximately 170 m above mean sea level. The property area is predominantly flat muskeg with poor drainage due to the lack of relief. Glacial features are abundant in the area and consist of till deposits, eskers, and drumlins, all of which are typically overlain by marine clays from the Hudson Bay transgression. Riverbank is believed to be underlain in part by mafic to ultramafic rocks that potentially could host nickel –copper mineralization. The previous owners of the property completed an airborne VTEM survey and associated aeromagnetic survey by Geotech. This was followed by three diamond drill holes in 2011 totaling 416 m. A number of conductive trends are present on the Riverbank property. The work to date has not disproved that the properties are underlain by rocks that include ultramafic bodies. The geophysics done to date indicates that the target model of mafic-ultramafic associated nickel bearing magmatic sulphides is valid. Exploration over the properties to date has consisted primarily of geophysics followed by limited diamond drilling. Riverbank was transferred to Zara's subsidiary, Leo Resources Inc more details of which are given below under "Leo Resources Spin-Off".

### **Leo Resources Spin-Off**

On March 20, 2013, Zara announced that its board of directors unanimously approved a proposal to spin-off to its shareholders of 100% of Zara's wholly-owned subsidiary Leo. Following the spin-off, Leo applied for listing of its common shares on the CNSX. The spin-off was transacted by way of a statutory plan of arrangement (the "Leo Plan") under the Business Corporations Act (British Columbia). Upon completion of the Leo Plan, Leo owns 100% of Riverbank. Pursuant to the terms of the Leo Plan, Zara distributed 13,737,500 common shares of Leo to holders of common shares of Zara on the Share Distribution Record Date. Each Zara shareholder of record on the Share Distribution Record Date received 1 common share in the capital of Leo for every 2 common shares in the capital of Zara. A Special Meeting ("Meeting") of Zara shareholders was held on May 14, 2013 at which shareholders approved the Leo Plan. The Record Date for determining shareholders who were entitled to receive notice of and vote at the Meeting was April 4, 2013. On August 2, 2013 the spin-off received all necessary court approvals and the plan of arrangement was subsequently completed. Leo listed on the CNSX on August 16, 2013

## **-Pigeon River**

Pigeon River is located in the Southern Province of the Precambrian Shield area of northern-western Ontario, and is located near Thunder Bay, Ontario. The property consists of 28 unpatented mining claims covering approximately 6,688 hectares. The property covers an unexplored magnetic target with potential to host nickel, copper and platinum group elements mineralization. Pigeon River lies in the Proterozoic Superior Mid Continent Rift, a geological setting with proven potential to host mafic/ultramafic systems. The Pigeon River property is situated in Proterozoic terrane within the Mid-Continent Rift. Rock types consist of diabase sills, sediments and intermediate to mafic intrusions. In recent years, economic deposits of nickel-copper and PGE's have been discovered south and northeast of the property. A VTEM survey over the eastern half of the property identified numerous conductors associated with linear magnetic features. These conductors may reflect sulphide mineralization associated with mafic or ultramafic intrusions. Three conductors were drill-tested in May and June of 2010 by the previous owners of the property. Two of the conductors proved to be due to sedimentary pyrrhotite within Rove Formation siltstone and mudstone. The third conductor was not fully explained, but may be due to sedimentary pyrrhotite intersected near the bottom of the hole. The three diamond drill holes totaling 605 meters intersected sediments of the Proterozoic Rove Formation, some containing sulphide and intruded by several diabase sills.

## **-Forge Lake**

Forge Lake is located 32 km northeast of Wawa, Ontario, and 14 km south of the Richmond Gold Mine and Mill. The previous owners of the property conducted a surface sampling program, an airborne magnetic survey and two diamond drill programs. Seventeen holes were drilled in November 2011 and intersected 3.25g/t Au over 12.7m. In April-June 2012 twelve holes were drilled designed to test for continuity of mineralization between the two main areas previously drilled, and intersected 7.07 g/t Au over 5.5 m. The exploration to date indicates that the gold-bearing quartz vein system is continuous and can contain high grade gold intersections, with a strike length of 650 m and a dip extent of 350 m.

## **Hadley-Etamame Property**

The Etamame Nickel Project is located in the Lingman Lake Greenstone belt area about 38 kilometres south-west of Sachigo Lake in Northwestern Ontario, Canada. It consists of 10 claim blocks totaling 142 claim units that have not previously been drilled. Geotech Ltd. carried out a VTEM AEM survey over Etamame in March 2011, which identified numerous prospective targets associated with strong magnetic anomalies. Hadley believes that Etamame represents a highly prospective potential nickel deposit that justifies a drilling program. The Etamame Lake Ultramafic Complex Property area is characterized by tholeiitic-komatiitic volcanism that strikes for over 12km east-west. The volcanic pile is on average 1km to 1.5km thick. The area contains a series of intercalated near vertical dipping komatiites (peridotites/pyroxenites and dunites), biotite rich mafic volcanics, crystal tuffs, felsic volcanic conglomerates, cherts and sulphide iron formation. Serpentinized pyroxenite outcrops were noted 1km due west of Etamame Lake indicating strong hydrothermal activity located along strong east/west shear/fault systems. The age of the Etamame Lake property rocks are 2742 to 2749 billion years old exhibiting greenschist facies. The Etamame Lake Ultramafic Complex conforms to the geological model of the Western Australian Kambalda-Windarra type volcanic-peridotite associated Ni-Cu-PGE deposits,



both in geological setting and possible metal concentrations and mineral associations. According to the deposit model the massive sulphide bodies are predominantly located at the base of komatiite flows in contact with footwall rocks. A volumetrically larger blanket of net-textured and disseminated sulphides overlies the massive sulphide portion of the deposits. Genesis of volcanogenic nickel sulphide deposits has been attributed to magmatic processes, a sulphide flow hypothesis, volcanic-exhalative activity and replacement phenomenon. The generation of a massive nickel sulphide horizon is done by magmatic processes via gravity settling of immiscible sulphide droplets in situ. The available magnetic data implies that the ultramafic flows are contorted and it is near these changes in geometry that the best nickel grades have been found to date and likely will be host to economic concentrations of Nickel-copper bearing sulphides.

## RESULTS OF OPERATIONS

GreenBank is in the development stage and did not have revenues from operations during the period. For the period ended July 31, 2013 the Company incurred a comprehensive loss of \$952,772 (\$0.03 loss per share attributed to equity holders of GreenBank-basic and fully diluted). The principal operational costs were \$397,600 stock based compensation, \$128,000 management fees, \$255,791 professional fees, \$50,600 investor relations and market research and \$38,183 transfer agent and listing and filing fees. For the third quarter the comprehensive loss was \$495,707 (\$0.02 loss per share) and operating expenses were \$557,156, with stock based compensation of \$121,000. Depending on future events, the rate of expenditures and general and administrative costs could increase or decrease.

Exploration of the properties owned by Zara and Hadley, which company's financial statements are consolidated by GreenBank, will be limited until such time as further equity has been raised by Zara and Hadley in order to further develop its properties. The NI43-101 Report for Riverbank recommends further exploration work with a budget of \$627,000. The NI43-101 Report for Pigeon River recommends further exploration work with a budget of \$170,000. The NI43-101 Report for Forge Lake recommends further exploration work with a budget of \$1,000,000. The NI43-101 Report for Etamame recommends further exploration work with a budget of \$600,000. Market conditions for raising equity are difficult and there is no guarantee that such market conditions will be conducive to raising the additional equity capital required to carry out these exploration budgets. Depending on future events, the rate of expenditures and general and administrative costs could increase or decrease.

### Selected Financial Information

The following table provides selected financial information that should be read in conjunction with the audited Financial Statements and Notes of the Company for the applicable period.

#### Summary of Results Period from January 30, 2013 (date of incorporation) – July 31, 2013

<b>Interest Income</b>	\$0
<b>Net Loss</b>	\$952,772
<b>Interest in Mineral Properties</b>	\$1,985,588
<b>Current Assets</b>	\$312,520
<b>Total Assets</b>	\$2,298,108
<b>Total Liabilities</b>	\$322,773
<b>Shareholders Equity</b>	\$1,975,335

### Summary of Quarterly Results (1)

<b>Quarter ended</b>	<b>October 31, 2012</b>	<b>January 31, 2013</b>	<b>April 30, 2013</b>	<b>July 31, 2013</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net loss	-	143,080	27,267	782,425
Loss per share	-	-	-	(0.06)
Expenses	-	363,039	27,267	562,466
Interest in Mineral Properties	121,910	1,964,954	1,979,544	1,985,588
Working Capital (Deficiency)	100,000	34,810	79,195	(7,253)
Interest Income	-	-	-	-
Share based compensation	-	276,600	-	121,000

(1) Under the pooling of interest method, the comparative figures are presented as if the entities had been combined for the period in which the entities were placed under common control

### **Liquidity and Solvency**

The Company will need access to equity capital to pursue its business plan and there is no guarantee that equity may be available, and if available it may not be on terms that Management finds is in the interest of the Company. On September 13, 2013 the Company announced that it would not be proceeding with a previously proposed rights offering. On November 27, 2013 the Company completed a private placement with Mark Wettreich, a director of the Company, raising \$100,000. The Company considers its investments in Zara and Hadley as long term investments, however it retains the option of disposing of some or all its investments in Zara and Hadley to raise funds. Due to its significant percentage ownership of Zara and Hadley, the Company may have difficulty selling some or all of its shareholding and any such sale may negatively impact the value of its investments. The Company may also borrow funds from its CEO. In order to maintain its operations the Company needs funds for primarily management fees, legal and accounting. The Company would need to raise additional equity capital in order to pursue other investment opportunities or to support special projects. The exploration budgets for Zara and Hadley will require additional equity to be raised by those companies in order to fund those exploration budgets, and there is no guarantee that such equity can be raised by Zara and Hadley.

The following table summarizes the Company's consolidated cash on hand, working capital and cash flow as at July 31, 2013

<b>Cash</b>	\$241,580
<b>Working Capital</b>	\$ (10,253)
<b>Cash Used in Operating Activities</b>	\$(177,978)
<b>Cash Provided by Financing Activities</b>	\$429,436
<b>Increase in Cash (being cash at the end of the period)</b>	\$241,580

The Company is dependent on the sale of newly issued shares to finance its investment and corporate finance activities, and general and administrative costs. The Company will have to raise additional funds in the future to continue its operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of financing cannot be obtained, then

the Company will be forced to curtail its activities.

### **Capital Resources**

The Company has no operations that generate cash flow. Its long term financial success is dependent on the Company taking equity positions in its clients that are profitable over time, and to the extent that the majority of its investments are currently in the natural resource development business, in making investments in companies that are successful in discovering properties that contain mineral reserves that are economically recoverable. The Company's primary capital assets as at July 31, 2013 are cash and investment securities, as well as resource properties that are owned by companies in GreenBank's investment portfolio. The Company has no commitments for capital expenditure, and there are no known trends or expected fluctuations in the Company's capital resources. The exploration budgets for Zara and Hadley will require additional equity to be raised by those companies in order to fund those exploration budgets, and there is no guarantee that such equity can be raised by Zara and Hadley.

The following is a summary of the Company's outstanding share, warrant and stock options data as of July 31, 2013

#### Common Shares

The authorized capital of the issuer consists of an unlimited number of common shares without par value of which 7,142,460 are outstanding as of November 28, 2013. Holders of the issuer's common shares are entitled to vote at all meetings of shareholders declared by the directors, and subject to the rights of holders of any shares ranking in priority to or on a parity with the common shares, to participate in any distribution of property or assets upon the liquidation, winding up or dissolution of the Issuer.

#### Stock Options

Options to purchase common shares in the capital of GreenBank Capital Inc. are granted by GreenBank's Board of Directors to eligible persons pursuant to GreenBank's 2013 Stock Option Incentive Plan. During the period ended July 31, 2013, the following options were granted (adjusted for share consolidation)

<b>Date</b>	<b>Number</b>	<b>Name of Optionee if Related Person and relationship</b>	<b>Exercise Price</b>	<b>Expiry Date</b>	<b>Market Price on date of Grant</b>
5/30/2013	50,000	Peter Wanner	\$0..25	5/30/2015	\$0.25
5/30/2013	50,000	Scott White	\$0..25	5/30/2015	\$0.25
5/30/2013	120,000	Mark Wettreich	\$0..25	5/30/2018	\$0.25
5/30/2013	280,000	Danny Wettreich	\$0..25	5/30/2018	\$0.25

#### Warrants

At July 31, 2013, the end of this Reporting Period, the Company had no warrants or brokers' warrants outstanding. As at November 28, 2013 the Company had the following warrants outstanding.

<b>Date of Expiry</b>	<b>Description</b>	<b>Number of Warrants</b>	<b>Exercise Price</b>
N/A	N/A	2,000,000	\$0.05
<b>Total Warrants</b>		<b>2,000,000</b>	

### **Outlook and Capital Requirements**

There is no guarantee that market conditions will be conducive to raising additional equity capital. Depending on future events, the rate of Company expenditures and general and administrative costs could increase or decrease.

### **Related Parties Transactions**

Related party transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. The Company became listed on the CNSX on April 19, 2013, and prior to that date no management fees were paid or accrued. From the listing date, monthly management fees to Sammiri Capital Inc in the amount of \$8,000 for Danny Wettreich and \$2,000 for Mark Wettreich for providing services as CEO and Vice President respectively, have been accrued.

During the period ended July 31, 2013, the Company, incurred consolidated management fees of \$128,000 to Sammiri Capital Inc. for providing the management services of Danny Wettreich as CEO and Mark Wettreich as Vice President. As at July 31, 2013, the consolidated amount of \$144,640 has not been paid and is owed thereto and has been included in consolidated trade payables and accrued liabilities.

On November 27, 2013 GreenBank completed a non-brokered private placement with Mark Wettreich, a director of the Company, of 2,000,000 Units (each a "Unit") of GreenBank at a price of \$0.05 per Unit, for proceeds of \$100,000. Each Unit consists of one common share in the capital of GreenBank and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional common share in the capital of Winston at an exercise price of \$0.05, for 36 months after closing. The proceeds of the Private Placement will be used for working capital purposes.

### **Off-Balance Sheet Arrangements**

The Company does not utilize off-balance sheet transactions.

### **Proposed Transactions**

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed in this MD&A.

## Accounting Policies

The accounting policies and methods employed by the Company determine how it reports its financial condition and results of operations, and may require management to make judgments or rely on assumptions about matters that are inherently uncertain. The Company's results of operations are reported using policies and methods in accordance with IFRS. In preparing financial statements in accordance with IFRS, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses for the period. Management reviews its estimates and assumptions on an ongoing basis using the most current information available. These financial statements have been prepared by management in accordance with IFRS. Outlined below are those policies considered particularly significant:

### *Principles of Consolidation*

These consolidated financial statements include the accounts of the Company and its affiliates, Zara Resources Inc. (40.41%) and Hadley Mining Inc. (49.0%) and Leo Resources Inc. which is a wholly-owned subsidiary of Zara Resources Inc. In the cases of Zara Resources Inc. ("Zara") and Hadley Mining Inc. (Hadley), the shareholdings are less than 50% but the Company still maintains the practical ability to direct the relevant activities of each company, and GreenBank has common directors with Zara and Hadley. The financial statements of Zara and Hadley are consolidated into the Greenbank financial statements with minority interests deducted. On consolidation, all intercompany transactions and balances were eliminated.

### *Business Combination*

The acquisition of Hadley and Zara by the Company was a common control combination and as a result is scoped out of IFRS 3. A pooling of interests or merger accounting-type method is widely accepted in accounting for common control combinations under IFRS. Such a method is also prescribed under US generally accepted accounting practice (GAAP) (SFAS 141 Business Combinations paragraphs D11 to D18). Management considers this approach to be available through application of IAS 8.12 which allows management to consider the most recent pronouncements of other standard-setting bodies that use a similar conceptual framework in developing an accounting policy (where IFRS has no specific requirements). Under the SFAS 141 approach, the comparative periods are restated only for those periods in which common control existed.

Under a pooling of interests-type method, the acquirer accounts for the combination as follows:

- (i) the assets and liabilities of the acquiree are recorded at book value not fair value (although adjustments are recorded to achieve uniform accounting policies);
- (ii) intangible assets and contingent liabilities are recognised only to the extent that they were recognised by the acquiree in accordance with applicable IFRS (in particular IAS 38);
- (iii) no goodwill is recorded. The difference between the acquirer's cost of investment and the acquiree's equity is presented separately within OCI on consolidation;
- (iv) any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities (as adjusted to achieve uniform accounting policies);
- (v) any expenses of the combination are written off immediately in the statement of comprehensive income;
- (vi) comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

Under the pooling of interest method, the comparative figures are presented as if the entities had been combined for the period in which the merging entities were placed under common control. The consolidated statements of loss and cash flow for the nine months ended April 30, 2013 includes GreenBank from January 30, 2013 (date of incorporation) to April 30, 2013, Zara from October 9, 2012 (date of incorporation) to April 30, 2013, and Hadley from October 1, 2012 to April 30, 2013. For the nine month and three periods ending April 30, 2012, there were no operations. The July 31, 2012 statement of financial position represents the balances of Hadley as it was the only company in existence as at that date.

#### *Significant Estimates and Judgments*

The preparation of financial statements requires management to make estimates and assumptions may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods as well as the related notes to financial statements. Actual results could differ from those estimates. The most significant estimates relate to the valuation of deferred income taxes, impairment testing of exploration and evaluation assets, and the calculation of share-based payments. The most significant judgments relate to recognition of deferred tax assets and liabilities and the determination of the economic viability of a project. In determining these estimates, the Company relies on assumptions regarding applicable industry performance and prospects, as well as general business and economic conditions that prevail and are expected to prevail. These assumptions are limited by the availability of reliable comparable data and the uncertainty of predictions concerning future events.

#### *Related Party Transactions*

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be Individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

#### *Provisions*

Provisions are recognized when the Company has a present legal or constructive obligation that arose as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pretax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

#### *Current Income Taxes*

Current income tax assets and liabilities for the current periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute current income taxes are measured at income tax rates, which have been enacted or substantively enacted at the reporting date. Current income taxes are recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the applicable taxes are recognized in other comprehensive income or directly in equity.

### *Deferred Income Taxes*

Deferred income taxes are provided using the liability method on temporary differences at the end of each reporting period. These taxes represent the between in the tax bases of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, the carry forward of unused income tax credits and unused income tax losses, to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the expected income tax rates that are expected to apply in the year in which the asset is to be realized or the liability is to be settled. The expected income tax rate utilized is based upon income tax laws that have been enacted or substantively enacted at the date of the statement of financial position. The deferred income taxes related to equity transactions are recognized directly equity and not in the statement of comprehensive income. Deferred income tax assets and liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

### *Impairment of non-financial assets*

At each date of the statement of financial position, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset the Company estimates the recoverable amount of the cash-generating unit to which the assets belong. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount. An impairment loss is recognized in the statement of comprehensive income in the period of impairment, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years.

## *Cash*

Cash is comprised of non-interest bearing cash deposit balances, which are subject to insignificant risk of changes in their fair value. Cash is used by the Company in the management of its short-term commitments. Cash is carried at fair value through profit or loss in the statement of financial position.

## *Exploration and Evaluations Assets (“E&E”)*

E&E assets consist of exploration and mining concessions, options and contracts. Acquisition costs, lease costs and exploration costs are capitalized and deferred until such time as the property is put into production or the properties are disposed of either through sale or abandonment.

E&E costs consist of:

- Acquisition of exploration properties;
- Gathering exploration data through topographical and geological studies;
- Exploratory drilling, trenching and sampling;
- Determining the volume and grade of the resource;
- Test work on geology, metallurgy, mining, geotechnical and environmental; and
- Conducting engineering, marketing and financial studies.

## *Equity Settled Share-Based Payment Transactions*

The costs of equity settled transactions are recognized, together with a corresponding increase in equity, over the period in which the goods or services are received. The Company measures the goods or services received, unless that fair value cannot be estimated reliably. When the Company cannot estimate reliably the fair value of the goods or services received then the Company measures their fair value and the corresponding increase in equity by reference to the fair value of the equity instruments issued as payment.

## *Share Capital*

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary common shares are classified as equity instruments.

Incremental Direct costs directly attributable to the issue of new shares are recognized in equity as reductions from the gross proceeds received from the issued shares.

## *Financial Assets and Financial Liabilities*

*Recognition:* The Company initially recognizes loans and advances, deposits and liabilities on the date at which they are originated. All other financial assets and liabilities, including assets and liabilities designated at fair value through profit or loss, are initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

*Valuation of Financial Instruments:* The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in accounting policy. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, and The Company measures



fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument

Level 2: Valuation techniques based on observable inputs, either directly; i.e. as prices; or indirectly; i.e., derived from prices. This category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

*De-recognition:* The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

*Offsetting:* 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 set off the recognized amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under EFRSs, or for gains and losses arising from a group of similar transactions.

*Amortized cost measurement:* The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

*Identification and measurement of impairment:* At each reporting date the Company assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a Company of financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the assets, and that the loss event has an impact on the future cash flows of the assets that can be estimated reliably.

Objective evidence that financial assets, including equity securities, are impaired may include significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of a loan or receivable by the Company that would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a Company of assets such as adverse changes in the payment status of borrowers or issuers in the Company, or economic conditions that correlate with defaults in the Company. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment All individually significant loans and receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by comparing together loans and receivables

with similar risk characteristics.

Impairment losses on assets carried at amortized cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognized in profit or loss and reflected in an allowance account against loans and receivables. Interest on impaired assets continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

*Designation at fair value through profit or loss:* The Company has designated financial assets and liabilities at fair value through profit or loss in the following circumstances:

- The assets or liabilities are managed, evaluated and reported internally on a fair value basis.
- The designation eliminates or significantly reduces an accounting mismatch which would otherwise arise.
- The asset or liability contains an embedded derivative that significantly modifies the cash flows that would otherwise be required under the contract

#### *Loss per share and comprehensive loss per share*

Comprehensive loss per share is calculated based on the weighted average number of shares issued and outstanding during the quarter or year, as appropriate. In the years when the Company reports a net loss and comprehensive net loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive and, therefore, basic and diluted loss per share is the same. For the period under review all the outstanding options and warrants were anti-dilutive.

#### *Foreign currency transactions*

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of each entity is the Canadian dollar. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation when items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of the monetary assets and liabilities denominated in foreign currencies are recognized in operations. The Company is not exposed to currency risks as it has no foreign currency denominated working capital balances or any other foreign currency activities

#### *Preferred Shares*

In accordance with IAS 32, GreenBank has accounted for the Zara convertible preferred shares as equity as the preferred shares are non-redeemable and only convertible into common shares of Zara at Zara's option. The interest on the Zara Preferred are payable in common shares of Zara and are accrued and paid annually.

#### *Future Accounting Policies*

The International Accounting Standards Board ("IASB") issued a number of new and revised International Accounting Standards, International Financial Reporting Standards, amendments and related interpretations which are effective for the Company's financial year beginning on or after August 1, 2013. For the purpose of

preparing and presenting the financial statements for the relevant periods, the Company has consistently adopted all new standards for the relevant reporting periods.

At the date of authorization of these financial statements, the IASB issued the following Standards that are effective for reporting periods ending after these financial statements and which the Company may be required to adopt in future reporting periods.

- IFRS 9 Financial Instruments: Classification and Measurement' - effective for annual periods beginning on or after January 1, 2015, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.
- IFRS 10 'Consolidated Financial Statements' - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
- IFRS 11 'Joint Arrangements' - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.
- IFRS 12 'Disclosure of Interests in Other Entities' - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.
- IFRS 13 'Fair Value Measurement\*' - effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides the guidance on the measurement of fair value and related disclosures through a fair value hierarchy.

IFRS 13 Fair Value Measurement was issued in May 2011 and defines fair value, sets out in a single standard a framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies when other IFRSs require or permit fair value measurements. The main features of the new standard include the fact that fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). Fair value measurements are based on the assumptions that market participants would use when pricing the item being measured under current market conditions, including assumptions about risk (i.e., it is a market-based, rather than entity-specific, measurement).

When measuring the fair value of a non-financial asset, an entity considers the highest and best use of the asset, and whether the asset is used in combination with other assets or on a stand-alone basis. A fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value and gives priority to observable inputs. An entity discloses information about the valuation techniques and inputs it has used, as well as the uncertainty inherent in its fair value measurements.

The Company has not early adopted these standards, amendments and interpretations, however it is currently assessing what impact the application of these standards or amendments will have on the consolidated financial statements of the Company

### **Financial Instruments and Risk Management**

The Company has designated its cash at fair value through profit and loss. The HST receivable and the due from related companies are classified as loans and receivables whereby they are initially recognized

at fair value and then subsequently carried at amortized cost. Accrued management fees of Hadley Mining Inc. and Zara Resources Inc. trade payables and accrued liabilities-other and preferred share dividends

The Company has designated its cash at fair value through profit and loss. The HST receivable and is classified as loans and receivables whereby they are initially recognized at fair value and then subsequently carried at amortized cost. Trade payables and accrued liabilities and due to related parties are classified as other financial liabilities whereby they are initially recognized at fair value and then measured at amortized cost. The carrying values, which approximate fair values, of the Company's financial instruments are as follows:

The carrying values, which approximate fair values, of the Company's financial instruments are as follows:

	2013
<b>Financial Assets</b>	
<i>Fair value through profit and loss</i>	
Cash	\$ 241,580
<i>Amortized Cost</i>	
HST recoverable	\$ 41,258
<b>Financial Liabilities</b>	
<i>Other financial liabilities</i>	
Trade payables and accrued liabilities	\$ 293,338
Due to related parties	\$ 29,435

Cash is classified as a level 1 under the fair value hierarchy.

#### ***Financial Risk Management Objectives and Policies***

The Company is exposed to various financial risks resulting from both its operations and its investments activities. The Company's management manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

#### ***Financial Risks***

The Company's main financial risk exposure and its financial risk management policies are as follows:

##### ***Market Risk***

Market risk is the risk of uncertainty arising primarily from possible commodity market price movements and their impact on the future economic viability of the Company's projects and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and exploration budgets accordingly

##### ***Fair Value Risk***

Fair value risk is the potential for fair value fluctuations in the value of a financial instrument The level of market risk to which the Company is exposed varies depending on market conditions, and expectations of future price and yield movements. The Company believes the carrying amounts of its financial assets and financial liabilities are a reasonable approximation of fair value.

##### ***Interest Rate Risk***

The savings accounts are at variable rates. Consequently, the Company is exposed to a fluctuation of the interest rate on the market which could vary the interest income on the savings accounts. The Company does not use financial derivatives to decrease its exposure to interest risk.

### ***Liquidity Risk***

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. As at July 31,, 2013, the Company had \$241,580 in cash. The Company anticipates having sufficient funds to pursue and evaluate new investment opportunities and meet its corporate and administrative expenses for the next twelve months. The Company will be seeking additional equity capital. There is no guarantee that market conditions will be conducive to raising such additional equity capital.

### ***Foreign currency risk***

The Company is not exposed to currency risks as it has no foreign currency denominated working capital balances or any other foreign currency activities.

### **Capital Management**

The Company's objective in managing capital is to ensure continuity as a going-concern and to safeguard its ability to maintain its investments and continue its acquisition and exploration programs. The Company manages its capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and its affiliates may acquire or sell mining properties to improve its financial performance and flexibility.

The Company defines its capital as its shareholder's equity. To effectively manage the Company's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives. As needed, the Company raises funds through private placements or other equity financings. The Company does not utilize long term debt as the Company does not currently generate operating revenues. There is no dividend policy.

### **Risks and Uncertainties**

The Company's principal activity revolves around its specialty and expertise in helping to take companies public, its corporate finance and mergers and acquisitions activities, as well as an investment portfolio that contains mineral exploration properties. Companies in the corporate finance and M&A business are subject to many and varied kinds of risk, including but not limited to competition from companies with larger resources and more access to capital, companies with greater depth of management, and companies with a longer track record. Fluctuations in markets may have an adverse effect on the ability of the Company to attract investment opportunities, and restrict the Company's ability to liquidate investments. Furthermore, companies in the mineral exploration industry are subject to many and varied kinds of risk, including but not limited to, environmental, metal prices, political and economical. The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. The Company has no significant source of operating cash flow and no revenues from operations. The Company has limited financial resources. Zara is in the process of making a takeover bid for three public companies and the likely costs of these bids, the length of time required to conclude these bids, and the likely outcome of these bids is undetermined.

### **Conflicts of Interest**

Certain of the directors and officers of the Company may also serve as directors and officers of other corporate finance companies, or companies involved in mineral resource exploration and development, and consequently, the possibility of conflict exists. Any decisions made by such directors or officers

involving the Company will be made in accordance with the duties and obligations of directors and officers to deal fairly and in good faith with the Company and such other companies. In addition, such directors declare their interest and refrain from voting on any matters in which such directors may have a conflict of interest.

### **Management's Responsibility for Financial Statements**

The information provided in this report is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the audited consolidated financial statements.

### **Other**

Additional information relating to the Company's operations and activities can be found by visiting the Company's website at [www.GreenBankCapitalInc.com](http://www.GreenBankCapitalInc.com), Zara Resources website at [www.ZaraResourcesInc.com](http://www.ZaraResourcesInc.com), and Hadley Mining's website at [www.HadleyMining.com](http://www.HadleyMining.com) and GreenBank's profile at [www.SEDAR.com](http://www.SEDAR.com)

### **Trends**

Trends in the industry can materially affect how well any corporate finance company is performing. Company management believes that the general environment for corporate finance companies is strong, and will continue to be so for the foreseeable future, as the Company believes and assumes that the demand and need for small companies to raise funds, complete merger and acquisitions, and become publicly listed will continue. However, the Company's investments are primarily in the natural resource development sector and the presently depressed market for mining companies and their valuations can adversely affect the Company's ability to successfully complete corporate finance transactions.

### **Outlook**

In Company managements' opinion, the long term outlook for precious metals continues to be positive and this is reflected in the Company's ongoing activity.

### **Cautionary Statement**

This document contains "forward-looking statements" within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding the Company's expectation of future trends in corporate finance and the natural resource development sector, its affiliates development plans and the Company's other future plans and objectives are forward-looking statements that involve various risks and uncertainties. The material factors and assumptions that management has used to determine such forward-looking statements include, without limitation, (1) estimates of stock-based compensation expense (2) expectations of industry trends (3) expectations of future funding (4) expectation of exploration activities and (5) expectation of successful negotiation by its affiliates with First Nations. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statement Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Forward-looking statements are based on the estimates and opinions of management on the date of statements are made, and the Company endeavours to update corporate information and material facts on a timely basis. Forward-looking statements are subject to risks, uncertainties and other actors, including risks associated with corporate finance and mergers and acquisitions activities, investment portfolio risk, and operational and political risks.