

GREENBANK CAPITAL INC.
Consolidated Financial Statements
Year Ended July 31, 2015
(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. which comprise the consolidated statements of financial position as at July 31, 2015 and July 31, 2014 and the consolidated statements of loss and comprehensive loss, cash flows and changes in equity for the years then ended and a 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 consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of GreenBank Capital Inc., as at July 31, 2015 and 2014 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to note 2 in the consolidated financial statements which describes that the Company will require additional financing in order to fund its planned activities. This condition, along with other matters set out in note 2, indicates the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

Toronto, Canada
November 30, 2015

“Abraham Chan LLP”

Abraham Chan LLP
Chartered Accountants
Licensed Public Accountants

GreenBank Capital Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As At July 31,	2015	2014
ASSETS		
Current assets		
Cash	\$ 67,229	\$ 66,713
Government HST recoverable	46,398	46,346
Prepaid expenses	5,775	6,023
Due from related companies (note 14)	66,752	13,956
Total current assets	186,154	133,038
Non-current assets		
Intangible asset (note 9)	12,500	12,500
Exploration and evaluation assets (note 10)	88,416	1,162,243
Total non-current assets	100,916	1,174,743
Total assets	\$ 287,070	\$ 1,307,781
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 11)	\$ 199,274	\$ 539,600
Due to related parties (note 14)	3,176	114,836
Total current liabilities	202,450	654,436
Non-current liabilities		
Convertible debentures of subsidiary (note 15)	15,274	90,647
Total liabilities	217,724	745,083
Equity		
Equity portion of Convertible Debentures (note 15)	4,666	34,666
Convertible preferred shares of Zara Resources Inc. (note 12(a)(ii))	549,500	549,500
Common share capital (note 12(a)(i))	907,901	628,401
Reserve for share-based payments (note 12(f))	354,315	415,300
Reserve for warrants (note 12(e))	281,000	361,500
Contributed surplus (note 12(g))	305,765	64,300
Deficit	(2,119,003)	(1,854,767)
Total shareholders' equity attributed to owners	284,144	198,900
Non-controlling interest (note 16)	(214,798)	363,798
Total shareholders' equity	69,346	562,698
Total liabilities and shareholders' equity	\$ 287,070	\$ 1,307,781

Nature of operations (note 1)
 Going concern (note 2)
 Contingency (note 18)
 Events after the reporting period (note 22)

Approved on behalf of the Board of Directors:

"Daniel Wettreich" (signed) Director
Daniel Wettreich, Director

"Mark Wettreich" (signed) Director
Mark Wettreich, Director

The notes to the consolidated financial statements are an integral part of these statements.

GreenBank Capital Inc.**Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)**

Years Ended July 31,	2015	2014
Revenue		
Consulting fees income	\$ 54,652	\$ -
	54,652	-
Operating Expenses		
Transfer agent fees	25,137	37,520
Management fees (note 14)	-	122,000
Listing and filing fees	83,304	53,321
Shareholder information	22,628	114,600
Investor relations and market research	-	18,886
Professional fees	74,354	543,877
Consulting expenses	218,576	42,164
Office and general	74,154	72,918
Share-based compensation (note 12(f))	29,480	89,000
Impairment of exploration and evaluation assets (note 10)	1,080,280	834,288
Interest accretion (note 15)	18,414	8,647
	1,626,327	1,937,221
Loss before other items	(1,571,675)	(1,937,221)
Gain on sale of investments (note 16)	146,295	-
Gain on settlement of debt (note 12)	433,482	-
Cancellation of convertible debentures (note 15)	93,787	-
Equity loss on equity accounted investment (note 13)	-	(551)
Impairment of equity accounted investment (note 13)	-	(99,449)
Net loss and comprehensive loss for the year	\$ (898,111)	\$ (2,037,221)
Net loss for the period attributed to:		
Equity holders of GreenBank Capital Inc.	(190,094)	(1,000,403)
Non-controlling interest (note 16)	(708,017)	(1,036,818)
	\$ (898,111)	\$ (2,037,221)
Loss per share attributed to equity holders of GreenBank Capital Inc. - diluted net loss	\$ (0.02)	\$ (0.13)
Weighted average number of common shares outstanding - basic and diluted	11,146,844	7,646,570

The notes to the consolidated financial statements are an integral part of these statements.

GreenBank Capital Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

Years Ended July 31,	2015	2014
Operating activities		
Net loss for the year	\$ (898,111)	\$ (2,037,221)
Non-cash adjustments for:		
Equity loss on equity accounted investment	-	551
Impairment of exploration and evaluation assets	1,080,280	834,288
Share-based compensation	29,480	89,000
Settlement of expenses with non-cash common share consideration	-	176,416
Settlement of trade debt with convertible debenture of subsidiary	-	16,666
Interest accretion	18,414	8,647
Gain on settlement of debt	(433,482)	-
Cancellation of convertible debentures	(93,787)	-
Impairment of equity-accounted investment	-	99,449
Net changes in non-cash working capital:		
Government HST recoverable	(52)	(5,088)
Prepaid expenses	248	23,659
Accounts payable and accrued liabilities	(18,763)	236,264
Net cash used in operating activities	(315,773)	(557,369)
Investing activities		
Additions to exploration and evaluation activities	(6,453)	(10,943)
Proceeds on sale of investment	7,095	-
Net cash provided by (used in) investing activities	642	(10,943)
Financing activities		
Due from related companies	(52,796)	(13,956)
Exercise of warrants	100,000	100,000
Issuance of common shares	220,000	225,000
Share issue costs	-	(3,000)
Due to related parties	48,443	85,401
Net cash provided by financing activities	315,647	393,445
Net change in cash	516	(174,867)
Cash, beginning of period	66,713	241,580
Cash, end of period	\$ 67,229	\$ 66,713

The notes to the consolidated financial statements are an integral part of these statements.

GreenBank Capital Inc.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Common Share Capital Amount	Reserves			Preferred Share Capital			Deficit	Non- Controlling Interest	Total
		Warrants	Options	Contributed Surplus	Units Proceeds Received Not Issued	Convertible Preferred Shares	Convertible Debenture			
Balance, July 31, 2013	\$ 428,401	\$ 156,000	\$ 397,600	\$ -	\$ 100,000	\$ 520,500	\$ -	\$ (671,364)	\$ 1,044,198	\$ 1,975,335
Distribution in kind	-	-	-	-	-	-	-	(183,000)	-	(183,000)
Units consisting of Convertible Series C preferred shares and warrants issued for cash by Zara Resources Inc. (note 12(c)(i))	-	66,667	-	-	(100,000)	33,333	-	-	-	-
Share issue costs (note 12(c)(i))	-	(8,667)	-	-	-	(4,333)	-	-	-	(13,000)
Provided by non-controlling interests	-	-	-	-	-	-	-	-	356,418	356,418
Valuation of warrants issued on debt settlement (note 12(d))	-	60,500	-	-	-	-	-	-	-	60,500
Share-based compensation (note 12(f))	-	7,000	82,000	-	-	-	-	-	-	89,000
Cancellation of stock options	-	-	(64,300)	64,300	-	-	-	-	-	-
Warrants issued on private placement (note 12)	-	80,000	-	-	-	-	-	-	-	-
Issued on private placement (note 12(c)(ii))	100,000	-	-	-	-	-	-	-	-	100,000
Warrants exercised (note 12(c)(ii))	100,000	-	-	-	-	-	-	-	-	100,000
Equity portion of convertible debenture	-	-	-	-	-	-	34,666	-	-	34,666
Net loss for the year	-	-	-	-	-	-	-	(1,000,403)	(1,036,818)	(2,037,221)
Balance, July 31, 2014	628,401	361,500	415,300	64,300	-	549,500	34,666	(1,854,767)	363,798	562,698
Issued on private placement (note 12(c)(iv))	129,500	90,500	-	-	-	-	-	-	-	220,000
Provided by non-controlling interests	-	-	-	-	-	-	-	-	129,421	129,421
Share-based compensation	-	-	29,480	-	-	-	-	-	-	29,480
Cancellation of options	-	-	(1,965)	1,965	-	-	-	-	-	-
Warrants exercised	150,000	(50,000)	-	-	-	-	-	-	-	100,000
Expired option	-	-	(88,500)	88,500	-	-	-	-	-	-
Expired warrants	-	(121,000)	-	121,000	-	-	-	-	-	-
Cancellation of convertible debentures (note 15)	-	-	-	30,000	-	-	(30,000)	-	-	-
Dividends (notes 12(a)(ii))	-	-	-	-	-	-	-	(74,142)	-	(74,142)
Net loss for the year	-	-	-	-	-	-	-	(190,094)	(708,017)	(898,111)
Balance, July 31, 2015	\$ 907,901	\$ 281,000	\$ 354,315	\$ 305,765	\$ -	\$ 549,500	\$ 4,666	\$ (2,119,003)	\$ (214,798)	\$ 69,346

The notes to the consolidated financial statements are an integral part of these statements.

GreenBank Capital Inc.

Notes to Consolidated Financial Statements

Year Ended July 31, 2015

(Expressed in Canadian Dollars)

1. 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, Winston distributed all of its shares in GreenBank to its Winston shareholders. GreenBank is engaged in the business of investing in Canadian small cap companies with its two principal subsidiaries being GreenBank Financial Inc., a licensed investment banker and GreenCoinX Inc., a software developer which has developed an identifiable crypto currency. The Company is a public company whose common shares are listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "GBC". The head office of the Company is located at 208 Queens Quay West, Suite 2506, Toronto, Ontario M5J 2Y5, Canada.

The Company has a mineral exploration investment portfolio comprising of a 49% interest in Hadley Mining Inc. ("Hadley"), a 31.07% interest in Zara Resources Inc. ("Zara") and a 19.96% interest in Leo Resources Inc. ("Leo"). Although Hadley, Zara and Leo are not legal subsidiaries of the Company, they have common directors and officers giving GreenBank effective control of Hadley, Zara and Leo. Therefore International Financial Reporting Standards ("IFRS") requires that Hadley, Zara and Leo be consolidated into these financial statements.

On June 2, 2014 the Company incorporated a 100% subsidiary GreenBank Financial Inc ("Financial") which received approval from the Ontario Securities Commission for an Exempt Market Dealer License on May 22, 2015. The granting of the Exempt Market Dealers License enables Financial to commence investment banking transactions. As a registered exempt market securities dealer, Financial is a dealer or underwriter for any securities which are prospectus exempt. It is also a dealer for any securities provided they are sold to clients who qualify for the purchase of exempt securities. Financial now intends to identify public and private companies who may be candidates for its investment banking services, including corporate finance, mergers and acquisitions, private placements and reverse mergers.

On June 11, 2014, the Company acquired all the rights, title and interest to the GreenCoin cryptocurrency software. Under the agreement, the Company issued 1,250,000 new common shares from its newly formed subsidiary GreenCoin Inc. On October 22, 2014, the name of GreenCoin Inc. was changed to GreenCoinX Inc. and the software was renamed GreenCoinX. After the transaction, the Company owned 75% of GreenCoin Inc., which has since been increased to 80%. When all aspects of the GreenCoinX software are completed, GreenCoinX will be a new innovative cryptocurrency featuring digital identification that aims to resolve the "trust based concerns" with other virtual currencies.

On November 5, 2013, the Company approved a share consolidation of its common shares on the basis of one new common share for five old common shares to be effective November 15, 2013. All outstanding common shares, options and warrants were adjusted to reflect the consolidation ratio.

GreenBank Capital Inc.
Notes to Consolidated Financial Statements
Year Ended July 31, 2015
(Expressed in Canadian Dollars)

2. Going Concern Assumption

These audited consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern under International Financial Reporting Standards (“IFRS”). The use of these principles under IFRS 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 and its subsidiaries and affiliates have interests in crypto currency software, investment banking and exploration and evaluation mineral assets (“E&E”). As such active exploration has not commenced and it is unknown whether the E&E contain reserves that are economically recoverable. The Company continues to incur operating losses, which casts significant 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 using the full cost method allowed under IFRS 6. 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, making the required payments pursuant to E&E purchase agreements, successfully market and promote its cryptocurrency software to attract investors and obtain profits from its investment banking operation. The Company has yet to generate significant income and cash flows from its operations.

There is no assurance that the Company will be able to obtain external financing necessary to explore, develop, if E&E are proven successful, and bring to commercial production its E&E and promote its cryptocurrency software and investment banking operations. 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.

As at July 31, 2015, the Company had yet to generate significant revenues from operations and had a deficit of \$2,119,003 (2014 - \$1,854,767). The Company is actively seeking additional sources of financing. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of uncertainties related to events or conditions that may cast significant doubt upon the entity’s ability to continue as a going concern that these uncertainties are material and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and discharge its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. These adjustments could be material.

GreenBank Capital Inc.

Notes to Consolidated Financial Statements

Year Ended July 31, 2015

(Expressed in Canadian Dollars)

3. Statement of Compliance and Basis of Presentation

(a) Statement of compliance

The policies applied in these consolidated financial statements are based on IFRS and their interpretations adopted by the International Accounting Standards Board ("IASB") issued and outstanding as of November 30, 2015, the date the board of directors approved the consolidated financial statements.

(b) Basis of presentation

These consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be measured at fair value in subsequent periods, and have been prepared using the accrual basis of accounting, except for cash flow information.

4. Significant Accounting Policies

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

Principles of consolidation

These consolidated financial statements include the accounts of the Company, 100% owned Bitcoin Angel Capital Inc., 100% owned Canada Marijuana Agricorp Inc., and 100% owned Bitcoin Canada Investments Inc., all were inactive during the year, and 80% owned GreenCoinX Inc., and 100% owned GreenBank Financial Inc. The consolidated financial statements also includes the Company's 31.07% owned Zara, 19.96% owned Leo and 49.0% owned Hadley. The Zara, Leo and Hadley 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, Leo and Hadley (de facto control over each of those companies). The financial statements of GreenCoinX, Zara, Leo and Hadley are consolidated into the GreenBank financial statements with non-controlling interest. On consolidation, all intercompany transactions, balances, income and expenses are eliminated.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company losses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An Investment in associates is accounted for using the equity method from the date on which the investee becomes an associate.

On January 7, 2014, the Company's wholly-owned subsidiary Bitcoin Angel Capital Inc. acquired 20% of the common shares of Sovereign Exchange International Inc. (a private company) and is accounting for the acquisition using the equity method. (See note 13)

Consulting Revenue

Income from consulting revenue is recognized after the service has been performed and the amount of revenue can be measured reliably.

GreenBank Capital Inc.
Notes to Consolidated Financial Statements
Year Ended July 31, 2015
(Expressed in Canadian Dollars)

4. Significant Accounting Policies (continued)

Related Party Disclosures

Parties are considered to be related if one party has the ability to directly or indirectly 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 are in the normal course of business and have commercial substance and are measured at the fair value.

Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the statement of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred income taxes are provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

- Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- Taxable temporary differences associated with investments in associates and interests in joint ventures, where the timing in the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

The carrying amount of deferred income tax assets is reviewed at each reporting date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit 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 reporting 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 tax rates that are expected to apply in the year when the asset is expected to be realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position. Deferred income taxes relating to items recognized directly in equity are recognized in equity and not in the statement of comprehensive income.

Deferred income tax assets and deferred income tax 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 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.

GreenBank Capital Inc.

Notes to Consolidated Financial Statements

Year Ended July 31, 2015

(Expressed in Canadian Dollars)

4. Significant Accounting Policies (continued)

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 these assets suffer any impairment in value, except for E&E which is first assessed against the indicators of IFRS 6. If any such IFRS 6 indication exists, the recoverable amount of the asset (or CGU) is estimated in order to determine the extent, if any, of the impairment loss.

If the recoverable amount of an asset is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount with a corresponding impairment loss recognized in the statement of comprehensive income in the period of impairment.

If an impairment loss reverses in a subsequent period then the carrying amount of the asset is increased to its revised value to the extent that the increased carrying amount does not exceed its original carrying amount as would be determined under IFRS 6.

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 asset is moved to a mining asset (if meets the economic and feasible stage) or the properties are disposed of either through sale, abandonment or impairment.

E&E costs consist of such items as:

- 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.

E&E shall be assessed for impairment when one or more of the following facts and circumstances indicate that a specific CGU should be tested for impairment:

- The period for which the entity has the right to explore in the specific area has expired during the financial statement period or will expire in the near future and is not expected to be renewed.
- Substantive expenditures on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned.
- Exploration for and evaluation of mineral resources in the specific area has not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or sale.

The Company estimates the recoverable amount of each CGU, on the basis of areas of interest. Management groups mineral claims that are contiguous and specific to an area that encompasses the same prospective minerals, into one area of interest and assigns a name to this mineral property.

Recoverable amount is the higher of fair value less disposal costs 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.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as 'mines under construction'. E&E are also tested for impairment before the assets are transferred to development properties.

GreenBank Capital Inc.

Notes to Consolidated Financial Statements

Year Ended July 31, 2015

(Expressed in Canadian Dollars)

4. Significant Accounting Policies (continued)

Functional currency

The Company's presentation and functional currency is the Canadian dollar.

Equity Settled Transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled and vested, ending on the date on which the relevant employees become fully entitled to the award ("the vesting period or date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share based compensation reserve.

When the share-based payment arrangement has been cancelled or the terms have expired the fair value assigned to the share-based payment arrangement is transferred to contributed surplus.

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 common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are recognized in equity as a reduction from the gross proceeds received from the issued shares.

Financial instruments

Fair value through profit or loss (FVTPL)

Financial assets that are held with the intention of generating profits in the near term are classified as held for trading within FVTPL. 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 as gain or loss in the statement of loss and comprehensive loss during the period.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such by management or not classified in any of the other categories. Available-for-sale financial assets are measured at fair value with changes recognized in other comprehensive income. Upon sale or impairment, the accumulated fair value adjustments recognized in other comprehensive income are recorded in the statements of loss and comprehensive loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method ("EIR"), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of loss and comprehensive loss. The losses arising from impairment are recognized in the statement of loss and comprehensive loss. The Company has classified government HST recoverable and due from related companies as loans and receivable.

GreenBank Capital Inc.
Notes to Consolidated Financial Statements
Year Ended July 31, 2015
(Expressed in Canadian Dollars)

4. Significant Accounting Policies (continued)

Financial instruments (continued)

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. The effective interest rate (or amortized cost method) 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.

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

The company's cash is considered Level 1 in the hierarchy.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each period end. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

Objective evidence of impairment could include the following:

- Significant financial difficulty of the issuer or counterparty;
- Default or delinquency in interest or principal payments; or
- It has become probable that the borrower will enter bankruptcy or financial reorganization.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

Loss Per Share

Loss per share is calculated based on the weighted average number of common shares issued and outstanding during the period. In the years when the Company reports a net loss, the effect of potential issuances of common shares are anti-dilutive, therefore, basic and fully diluted loss per common share is the same. The diluted loss per share reflects the potential dilution of common share equivalents, such as the conversion of outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The treasury stock method is used for the assumed proceeds upon exercise of the options and warrants.

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4. Significant Accounting Policies (continued)

Changes in accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods after July 31, 2014. The following new standards have been adopted:

(i) IAS 32 – Financial Instruments: Presentations (“IAS 32”) clarifies some of the requirements for offsetting financial assets and financial liabilities on the consolidated statement of financial position. The amendment to IAS 32 is effective for annual periods beginning on or after January 1, 2014. At August 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company’s financial statements.

(ii) IFRIC 21 - 'Levies' (“IFRIC 21”) is effective for the Company beginning on January 1, 2014. The interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets, as well as addressing what the obligating event is that gives rise to pay a levy and when should a liability be recognized. At August 1, 2014, the Company adopted IFRIC 21 and there was no material impact on the Company’s financial statements.

(iii) IFRS 2 - Share-based Payment (“IFRS 2”). The amendments to IFRS 2, issued in December 2013 clarify the definition of “vesting conditions”, and separately define a “performance condition” and a “service condition”. A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014. The Company adopted the amendments and there was no material impact on the Company’s financial statements.

(iv) IAS 24 - Related Party Disclosures (“IAS 24”). The amendments to IAS 24, issued in December 2013, clarify that a management entity, or any member of a group of which it is a part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014. At August 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company’s financial statements.

(v) IAS 36 - Impairment of Assets (“IAS 36”) was amended to address the disclosure required for the recoverable amount of impaired assets or cash generating unit for periods in which an impairment loss has been recognized or reversed. At August 1, 2014, the Company adopted this pronouncement and there was no material impact on the Company’s financial statements.

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4. Significant Accounting Policies (continued)

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.

(i) IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 and will replace IAS 39 - Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. This standard also requires an expected loss impairment method to be used, replacing the incurred loss model.

In October 2010, the IASB added requirements for financial liabilities to IFRS 9. These requirements were largely carried forward from the existing requirements in IAS 39, however, fair value changes due to credit risk for liabilities designated at fair value through profit and loss are to be recorded in other comprehensive income.

In November 2013, the IASB amended IFRS 9 to include a new general hedge accounting model. The amendment also removed the January 1, 2015 effective date.

In July 2014, the IASB issued the final version IFRS 9 that supersedes the requirements of earlier versions of the standard. The new standard will replace both IAS 39 and IFRIC 9 - Reassessment of Embedded Derivatives. The standard will retain the classification and measurements requirements and new hedge accounting model introduced by the previous versions while introducing a single forward-looking expected credit loss impairment model. The final version of this new standard is effective for annual periods beginning on or after January 1, 2018. However, an entity may elect to apply the earlier versions of this new standard to annual periods beginning before January 1, 2018 if, and only if, its initial application date is before February 1, 2015. The Company is still in the process of assessing the impact of this pronouncement.

(ii) IFRS 11 - Joint Arrangements (“IFRS 11”) was amended in May 2014 to require business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted. The Company is still in the process of assessing the impact of this pronouncement.

(iii) IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted. The Company is still in the process of assessing the impact of this pronouncement.

Various other accounting pronouncements (such as IFRS 14, IFRS 15, and the various annual improvements) that have no material impact to the Company are not included above. The Company has not early adopted these standards.

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5. Critical Accounting Estimates and Judgments

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

Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income/loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

(a) Impairment of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditure and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available.

(b) Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

(c) Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

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5. Critical Accounting Estimates and Judgments (continued)

(d) Going concern risk assessment

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation assets when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. These financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

(e) Interest in other entities

The Company has less than 50% voting rights in Leo, Hadley and Zara. Management has assessed the involvement of the Company in accordance with IFRS 10 and has concluded that it has significant influence and de facto control. In making its judgment, management considered the Company's voting rights, the relative size and dispersion of the voting rights held by other shareholders and other relevant facts and circumstances.

Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in material adjustments to the financial statements.

(a) Share based compensation

The Company records all share-based compensation using the fair value method. The Company uses the Black-Scholes option pricing model to determine the fair value of share-based compensation. This estimate also requires determining the most appropriate inputs to the valuation model. The main factor affecting the estimates of the fair value of stock options is the stock price, expected volatility used and the expected duration of the instrument. The Company currently estimates the expected volatility of its common shares based on comparable information derived from the trading history of guideline public companies which are in a similar situation to the Company taking into consideration the expected life of the options.

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6. Financial Risk Management

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, with the Board of Directors oversight, 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:

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the consolidated statement of financial position. The Company's assets most susceptible to credit risk is its cash, which is held at a Canadian chartered bank in a non-interest bearing account, government HST recoverable, which is due from the Canadian government, due from related companies, which is described in Note 14 and is expected to be recoverable. As such, the risk of loss on these assets is minimal.

Market and other 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.

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 rate 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, 2015, the Company had, at its disposal, \$67,229 in cash. The Company will require additional working capital to fund its corporate and administrative expenses for the next twelve months and will be seeking additional equity capital to expand investment opportunities. There is no guarantee that market conditions will be conducive to raising such additional equity capital.

Commodity risk

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for these mineral commodities. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The carrying values of the Company's financial instruments carried at amortized cost approximate fair values due to their short duration.

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6. Financial Risk Management (continued)

The Company has designated its cash at FVTPL. The government HST recoverable and 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. Accounts payables and accrued liabilities, due to related parties and convertible debentures 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:

	As at July 31, 2015	As at July 31, 2014
Financial Assets		
<i>Fair value through profit or loss</i>		
Cash	\$ 67,229	\$ 66,713
<i>Loans and receivables</i>		
Government HST Recoverable	46,398	46,346
Due from related companies	66,752	13,956
Financial Liabilities		
<i>Other financial liabilities</i>		
Accounts payable and accrued liabilities	\$ 199,274	\$ 539,600
Due to related parties	3,176	114,836
Convertible debentures	15,274	90,647

7. 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 investment activities. 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 its investments to improve its financial performance and flexibility.

The Company defines its capital as its shareholders' equity. As at July 31, 2015, the Company's capital resources amounted to \$69,346 (2014 - \$562,698) in shareholders' 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 financing.

The Company's capital management objectives, policies and processes have remained unchanged during the year ended July 31, 2015. The Company is not subject to any capital requirements imposed by a lending institution.

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8. Government HST Recoverable

As at July 31,	2015	2014
Government HST receivables	\$ 46,398	\$ 46,346

Government HST recoverable is not past due.

9. Intangible Assets

In June 2014, the Company's subsidiary GreenCoinX Inc. (previously known as GreenCoin Inc.) purchased all rights, title and interest to an unfinished cryptocurrency software by the issuance of GreenCoinX common shares with a nominal value of \$12,500. No amortization was recorded during in the year ended July 31, 2015.

10. Exploration and Evaluation Assets

	Riverbank	Etamame	Pigeon River	Forge Lake	Total
Balance, July 31, 2013	\$ 358,000	\$ 334,700	\$ 702,400	\$ 590,488	\$ 1,985,588
Property acquisition costs	-	3,950	-	-	3,950
Exploration expenditures	-	-	540	6,453	6,993
Impairment	(44,750)	(288,099)	(501,439)	-	(834,288)
Balance, July 31, 2014	313,250	50,551	201,501	596,941	1,162,243
Property acquisition costs	-	-	-	6,453	6,453
Impairment	(268,455)	(50,551)	(157,880)	(603,394)	(1,080,280)
Balance, July 31, 2015	\$ 44,795	\$ -	\$ 43,621	\$ -	\$ 88,416

Riverbank (Leo)

The property is located in Sachigo sub-province, Ontario. The Riverbank property consists of 8 unpatented mining claims. Pursuant to an agreement dated December 17, 2012 between Melkior Resources Inc. ("Melkior") and Zara, whereby Zara can acquire up to 70% undivided interest in the property by incurring certain amount of work expenditures on the property within twenty-four months.

On January 23, 2013, Zara completed the acquisition of 100% of Riverbank claims from Melkior. The consideration was \$68,000 payable by the issuance of 22,500 common shares of Zara at a price of \$1.00 per share and 45,500 non-voting 5% convertible Series A preferred shares of Zara at a price of \$1.00 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.

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10. Exploration and Evaluation Assets (continued)

Riverbank (Leo) (continued)

On August 2, 2013, Zara completed its Purchase Agreement (the "Agreement") with its subsidiary Leo whereby Leo agreed to purchase from Zara all of Zara's rights, interests, obligations and benefits of the Riverbank property by way of a Plan of Arrangement for the amount of \$358,000.

The Company consolidates both Zara and Leo so the Plan of Arrangement did not affect the consolidated Exploration and Evaluation assets.

Pursuant to the closing of the purchase of the Riverbank property by Leo, one claim was allowed to lapse and accordingly an impairment of exploration and evaluation assets in the amount of \$44,750 was recorded in the statement of profit or loss and comprehensive income during the year ended July 31, 2014. During the year, Leo allowed six out of seven Riverbank claims to lapse. As a result, \$268,455 of the carrying value of the Riverbank property was impaired and the amount was recorded in the statement of loss and comprehensive loss for the year.

Etamame (Hadley)

Hadley acquired 100% of the Etamame Lake Nickel project, located in Northwestern Ontario consisting of 10 claim blocks totaling 142 claim units that have not previously been drilled. It also acquired a geophysical airborne survey (the "Airborne Survey") carried out over Etamame.

On April 8, 2014, management determined that they would not renew nine of ten claim blocks and accordingly recognized an impairment in the amount of \$288,099 during the year ended July 31, 2014. During the year, management of Hadley determined that they would not renew the remaining Etamame claim block and accordingly recognized an impairment in the amount of \$50,551.

Pigeon River (Zara)

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.

The purchase price was paid by the issuance of 225,000 common shares of Zara at a price of \$1.00 per share and 475,000 non-voting 5% convertible Series B preferred shares of Zara at price of \$1.00 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 225,000 Zara common shares were valued at \$225,000 and Series B non-voting convertible 5% preference shares of Zara were valued at \$475,000.

During the year ended July 31, 2014, management made the decision to abandon 20 of the Pigeon River claims. As a result, the Company recognized an impairment of the exploration assets of \$501,439. During the year ended July 31, 2015, the Company allowed seven out of eight remaining claims to lapse. As a result, the Company recognized an impairment of \$157,880 on the exploration and evaluation assets.

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10. Exploration and Evaluation Assets (continued)

Forge Lake (Zara)

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 571,578 common shares at a price of \$1.00 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. On October 17, 2014, Zara cancelled 571,578 common shares based on the Mining Claim Assignment Agreement dated April 16, 2013 between the Company and HRM due to HRM failing to distribute the 571,578 common shares of Zara to HRM shareholders within the required time frame.

In addition, Zara issued 2% of the \$583,010 value to the Licensor or \$11,432 payable through the issue of 11,432 common shares during fiscal 2013 and guarantees three years of license and tax payments to the Licensor. During the year, the carrying value of \$603,394 of the Forge Lake property was impaired as the Company do not have the financing to further the project and the amount was recorded in the statement of loss and comprehensive loss for the year.

11. Accounts Payable and Accrued Liabilities

	As at July 31, 2015	As at July 31, 2014
Accounts payable	\$ 155,254	\$ 489,600
Accrued liabilities	44,020	50,000
	\$ 199,274	\$ 539,600

The accounts payable and accrued liabilities which arise from the Company's day to day operations have standard vendor terms and are normally settled between one and two months. The accounts payable is broken down between the parent and its three subsidiaries as follows - GreenBank Capital - \$49,107 (July 31, 2014 - \$22,622), Hadley - \$70,297 (July 31, 2014 - \$58,106), Zara - \$60,694 (July 31, 2014 - \$400,821), Leo - \$19,176 (July 31, 2014 - \$5,791), GreenBank Financial - \$nil (July 31, 2014 - \$2,260).

The following is an aged analysis of the accounts payable and accrued liabilities:

	July 31, 2015	July 31, 2014
Less than one month	\$ 65,219	\$ 59,114
One to three months	1,508	102,224
Over three months	132,547	378,262
Total accounts payable and accrued liabilities	\$ 199,274	\$ 539,600

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12. Share Capital

(a) Common share Capital

The Company's authorized share capital includes:

- an unlimited number of common shares without par value; and
- the Company's affiliate, Zara has an unlimited number of \$1 Series A, B and C non-voting preferred shares.
Each series of preferred shares may be converted into common shares at the option of the company. Each series of preferred shares are convertible into such number of common shares equal to the quotient of the original issue price divided by the current market price on the date of conversion. Each series of preferred shares are subject to cumulative dividends at the rate of 5% per annum, which is payable in common shares of the Company based upon the prevailing market price of the common shares.
- The Company's affiliate, Zara has an unlimited number of \$1 Series preferred shares issued
45,500 non-voting 5% convertible Series A preferred shares
475,000 non-voting 5% convertible Series B preferred shares
83,333 non-voting 5% convertible Series C 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.

(i) Common shares

	Number of shares	Amount
Balance July 31, 2013	5,142,461	\$ 428,401
Issued on private placement (note 12(c)(ii))	2,000,000	100,000
Warrants exercised (note 12(c)(ii))	2,000,000	100,000
Balance July 31, 2014	9,142,461	628,401
Issued on private placement (note 12(c)(iv)(v))	2,600,000	129,500
Warrants exercised (note 12(c)(vi))	2,000,000	100,000
Valuation of warrants exercised (note 12(c)(vi))	-	50,000
Balance July 31, 2015	13,742,461	\$ 907,901

(ii) Convertible preferred shares

	Number of shares	Amount
Balance July 31, 2013	520,500	\$ 520,500
Units consisting of convertible series C preferred shares and warrants issued for cash by Zara Resources Inc. (note 12(c)(i))	83,333	33,333
Share issue costs	-	(4,333)
Balance July 31, 2014 and July 31, 2015	603,833	\$ 549,500

As at July 31, 2015 the total amount of dividends accumulated is \$74,142. This amount is reported in the consolidated statement of changes in equity. An amount of \$51,595 has been paid by issuance of common shares and an amount of \$22,547 is included in accounts payable and accrued liabilities.

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12. Share Capital (continued)

(b) Share Consolidation

On November 5, 2013, the Company approved a share consolidation of its common shares on the basis of one new common share for five old common shares to be effective November 15, 2013. All outstanding common shares, options and warrants and the amounts reported in these consolidated financial statements have been retroactively restated to reflect the share consolidation.

Zara completed a share consolidation of its common shares on the basis of one (1) new common shares for ten (10) old common shares to be effective October 15, 2015. All common shares and per common share price reported in this financial statements has been retroactively restated to reflect the share consolidation. The outstanding stock options and warrants were adjusted by the consolidation ratio.

(c) Private placement

(i) On August 1, 2013 the Company's subsidiary Zara closed a private placement of 83,333 Units in the capital of Zara at \$1.20 per unit for the aggregate subscription amount of \$100,000. Each Unit consists of one Series C Preferred Share with a 5% yield payable in common shares of Zara at the prevailing market price and convertible into common shares on a one for one basis, and two common share purchase warrants, each warrant being exercisable for 36 months into one common share of Zara at \$1.80 per share.

Fair value for the warrants as estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield rate of 0%, volatility of 109%, risk free rate of 1.31%, and an expected life of 3 years yielded a value greater than the \$100,000 face value. It was then determined by management, based on the proportion of shares and warrants issued, that an allocation of 2/3 to the warrants and 1/3 to the Series C Preferred shares would be reasonable. Accordingly the \$100,000 face value was allocated to the warrants in the amount of \$66,667 and to the Series C Preferred Shares in the amount of \$33,333.

The proceeds of the private placement will be used for general corporate purposes. The Company incurred \$13,000 in finder's fees in connection with the private placement.

(ii) On November 27, 2013, the Company completed a non-brokered private placement with a director of the Company, for 2,000,000 units of the Company at a price of \$0.05 per Unit, for proceeds of \$100,000. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional common share in the capital of the Company 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. On January 1, 2014, the warrants were exercised providing a further \$100,000 in cash.

(iii) On May 24, 2014, the Company's subsidiary Leo closed a private placement with a director raising gross proceeds of \$125,000. Leo issued 2,500,000 units at a price of \$0.05 per unit. Each unit is comprised of one common share and one share purchase warrant, with each warrant exercisable into one common share at an exercise price of \$0.05 per share until May 23, 2017. A total of \$80,000 was allocated to the warrants using the Black-Scholes pricing model based on the following assumptions: share price of \$0.05, dividend yield rate of 0%, volatility of 109%, risk free interest rate of 1.14% and an expected life of 3 years

(iv) On October 3, 2014, the Company completed a private placement with a director of the Company for of 2,000,000 units of the Company at a price of \$0.05 per Unit, for gross proceeds of \$100,000. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional common share in the capital of the Company at an exercise price of \$0.05 per share until October 3, 2017. A total of \$50,000 was allocated to the warrants using the Black-Scholes pricing model based on the following assumptions: share price of \$0.04, dividend yield rate of 0%, volatility of 109%, risk free interest rate of 1.15% and an expected life of 3 years

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12. Share Capital (continued)

(c) Private placement (continued)

(v) On June 5, 2015, the Company completed a non-brokered private placement for 600,000 units of the Company at a price of \$0.20 per Unit, for gross proceeds of \$120,000. Each unit consists of one common share in the capital of the Company and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one additional common share in the capital of the Company at an exercise price of \$0.20 per share for 24 months after closing date. A total of \$40,500 was allocated to the warrants using the Black-Scholes pricing model based on the following assumptions: share price of \$0.14, dividend yield rate of 0%, volatility of 109%, risk free interest rate of 0.65% and an expected life of 2 years

(vi) On June 12, 2015, a director of the Company exercised 2,000,000 warrants he owns and purchased 2,000,000 common shares at \$0.05 per share for gross proceeds of \$100,000.

(d) Shares issued on debt settlement

On November 6, 2013, the Company's subsidiary Zara effected a conversion of \$176,416 of trade debt into units of Zara, each unit comprising of one common share at \$0.60 per share and one warrant exercisable at \$0.90 per share and expiring November 6, 2016. The debt conversion resulted in the issuance of 294,842 common shares and 294,842 warrants. The debt was related to legal costs payable to an arm's length legal firm. The fair value of the warrants was \$60,500 and was estimated using the Black-Scholes pricing model based on the following assumptions: dividend yield rate of 0%, volatility of 109%, risk free rate of 1.24%, and an expected life of 3 years. No commission was payable in relation to this debt conversion.

On November 27, 2014, Zara issued 967,616 common shares with a fair value of \$96,762 pursuant to four debt settlement agreements; two of them are related parties as disclosed in Note 14. Pursuant to the agreements Zara settled a total of \$483,808, resulting in a gain on settlement of debt of \$387,046 which has been included in the consolidated statement of loss and comprehensive loss.

On January 7, 2015, Zara issued 94,090 common shares with a fair value of \$9,409 in order to settle accumulated dividend on the Series B Convertible Preferred shares. The accumulated dividend as of January 31, 2015 amounted to \$47,045, resulting in a gain on settlement of debt of \$37,636 which has been included in the consolidated statement of loss and comprehensive loss.

On January 26, 2015, Zara issued 9,100 common shares with a fair value of \$910 in order to settle accumulated dividend on the Series A Convertible Preferred shares. The accumulated dividend as of January 31, 2015 amounted to \$4,550, resulting in a gain on settlement of debt of \$3,640 which has been included in the consolidated statement of loss and comprehensive loss.

GreenBank Capital Inc.
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12. Share Capital (continued)

(e) Warrants

The changes in warrants during the years ended July 31, 2015 and 2014 is as follows:

	Number of warrants
Balance, July 31, 2013	1,917,045
Issued - August 1, 2013 (Zara) (note 12(c)(i))	166,666
Issued - November 6, 2013 (Zara) (note 12(d))	294,842
Issued - May 23, 2014 (Leo) (note 12(c)(iii))	2,500,000
Issued - April 21, 2014 ⁽¹⁾	100,000
Balance, July 31, 2014	4,978,553
Issued - October 3, 2014 (note 12(c)(iv))	2,000,000
Issued - June 5, 2015 (note 12(c)(v))	600,000
Exercised (note 12(c)(vi))	(2,000,000)
Expired	(1,866,666)
Balance, July 31, 2015	3,711,887

⁽¹⁾ During the year ended July 31, 2014, the Company granted 100,000 warrants. The fair value of \$7,000 was recognized as share-based compensation and was estimated using the Black-Scholes pricing model based on the following assumptions; share price of \$0.12, dividend yield rate of 0%, forfeiture rate of 0%, volatility of 109%, risk free rate of 1.07% and an expected life of 2 years.

The issued and outstanding warrants balance at July 31, 2015 is comprised as follows:

Expiry date	Issuer	Exercise price	Number of warrants	Fair value
May 24, 2016	Zara	\$1.38	9,091	\$ 6,000
July 2, 2016	Zara	\$1.80	41,288	\$ 29,000
August 1, 2016	Zara	\$1.80	166,666	\$ 58,000
November 6, 2016	Zara	\$0.90	294,842	\$ 60,500
May 23, 2017	Leo	\$0.05	2,500,000	\$ 80,000
April 20, 2016	GreenBank	\$0.125	100,000	\$ 7,000
June 5, 2017	GreenBank	\$0.20	600,000	\$ 40,500
		\$0.25	3,711,887	\$ 281,000

(f) 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.

GreenBank Capital Inc.
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12. Share Capital (continued)

(f) Stock options (continued)

The following table summarizes the activity in stock options over the period.

	Fair Value	Number of stock options	Weighted average exercise price (\$)
Balance, July 31, 2013	\$ 397,600	3,235,000	0.20
Granted ⁽ⁱ⁾	82,000	1,060,000	0.25
Expired/forfeited	(64,300)	(590,000)	(0.20)
Balance, July 31, 2014	415,300	3,705,000	0.18
Granted - Leo ⁽ⁱⁱⁱ⁾	1,400	50,000	0.06
Granted - GreenBank ⁽ⁱⁱ⁾	28,080	400,000	0.13
Expired - GreenBank	(18,700)	(250,000)	(0.25)
Cancelled - Leo	(1,965)	(50,000)	(0.10)
Expired - Zara	(47,900)	(80,000)	(1.00)
Expired - Hadley	(21,900)	(400,000)	(0.10)
Balance, July 31, 2015	\$ 354,315	3,375,000	0.16

⁽ⁱ⁾ During the year ended July 31, 2014, the Company and its subsidiaries granted a total of 1,060,000 stock options that vested on the grant date. The fair value of 82,000 was recognized as share-based compensation and was estimated using the Black-Scholes pricing model based on the following assumptions: share price ranging from \$0.05 to \$0.25, dividend yield rate of 0%, forfeiture rate of 0%, volatility of 109%, risk free rate ranging from 1.05% to 1.95%, and an expected life ranging from 1.1 to 4.4 years.

⁽ⁱⁱ⁾ During the year ended July 31, 2015, the Company granted a total of 400,000 stock options that vested on the grant date. The fair value of \$28,080 was recognized as share-based compensation and was estimated using the Black-Scholes pricing model based on the following assumptions: share price of \$0.125, dividend yield rate of 0%, forfeiture rate of 0%, volatility of 109%, risk free rate of 0.58%, and an expected life of 2 years.

⁽ⁱⁱⁱ⁾ During the year ended July 31, 2015, Leo granted a total of 50,000 stock options that vested on the grant date. The fair value of \$1,400 was recognized as share-based compensation and was estimated using the Black-Scholes pricing model based on the following assumptions: share price of \$0.05, exercise price of \$0.05, dividend yield rate of 0%, forfeiture rate of 0%, volatility of 109%, risk free rate of 0.49%, and an expected life of 2 years.

GreenBank Capital Inc.
Notes to Consolidated Financial Statements
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12. Share Capital (continued)

(f) Stock options (continued)

The following table sets out the details of the stock options granted and outstanding as at July 31, 2015:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)	Number of options unvested
December 28, 2017 ⁽¹⁾	1.00	2.42	165,000	165,000	-
May 23, 2016 ⁽²⁾	0.05	0.82	200,000	200,000	-
May 23, 2019 ⁽²⁾	0.05	3.82	250,000	250,000	-
December 28, 2017 ⁽³⁾	0.10	2.42	1,650,000	1,650,000	-
May 30, 2018	0.25	2.83	400,000	400,000	-
July 1, 2017 ⁽²⁾	0.05	1.92	50,000	50,000	-
May 30, 2018	0.25	2.83	100,000	100,000	-
May 28, 2016	0.05	0.83	60,000	60,000	-
June 16, 2016	0.05	0.88	100,000	100,000	-
June 1, 2017	0.13	1.84	400,000	400,000	-
	0.16	2.36	3,375,000	3,375,000	-

⁽¹⁾ These are options granted by Zara

⁽²⁾ These are options granted by Leo

⁽³⁾ These are options granted by Hadley

g) Contributed surplus

Contributed surplus includes the accumulated fair value of share-based compensation and warrants transferred from share-based payment reserve and warrant reserve upon cancellation or expiry of the stock options and warrants.

A summary of the changes in the Company's contributed surplus is set out below:

Balance, July 31, 2013	\$	-
Expiration of options		64,300
Balance, July 31, 2014		64,300
Expiration of options		90,465
Expiration of warrants		121,000
Cancellation of convertible debentures		30,000
Balance, July 31, 2015	\$	305,765

GreenBank Capital Inc.
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12. Share Capital (continued)

(h) Distributions in kind

In August 2013, pursuant to a plan of arrangement with Leo, the Company's subsidiary Zara declared a distribution of 13,737,500 common shares of Leo at a value of \$358,000. The Company received 6,730,000 shares of Leo at a value of \$175,000 and other Leo shareholders received 7,007,500 shares of Leo at a value of \$183,000. The distribution was on a pro rata basis whereby one share of Leo was issued for every two share of Zara held. The intercompany distribution in the amount of \$175,000 has been eliminated on consolidation leaving \$183,000 as the distribution in kind for the year ended July 31, 2014. There is no intercompany distribution during the year ended July 31, 2015.

(i) Basic and diluted loss per share

The calculation of basic and diluted loss per share for the year ended July 31, 2015 was based on the loss attributable to common shareholders of \$190,094, (2014 – \$1,000,403) and the weighted average number of common shares outstanding of 11,146,844 (2014 – 7,646,570). Diluted loss per share did not include the effect of 3,375,000 options (2014 – 3,705,000 options) and 3,711,887 warrants (2014 – 4,978,553) as they are anti-dilutive.

13. Equity Investments

On January 7, 2014, the Company's wholly-owned subsidiary Bitcoin Angel Capital Inc. acquired 20% of the common shares of Sovereign (a private company) and is accounting for the acquisition using the equity method.

The Company has re-evaluated the prospects for Sovereign and has fully impaired its investment.

July 31, 2013	\$ -
Common shares (20%)	100,000
Share of equity loss recognized (January 7, 2014 to March 31, 2014)	(551)
	99,449
Impairment of investment	(99,449)
Balance, July 31, 2014 and 2015	\$ -

14. Related Party Transactions and Disclosures

Related party transactions were in the normal course of operations.

At July 31, 2015, the due from related companies in the amount of \$66,752 (2014 - \$13,956) is net amount due from affiliated companies which amounts were made to provide working capital; Winston Resources Inc. of \$49,188 (2014 - \$13,956), and CNRP Mining Inc. of \$17,564 (2014 - \$nil). Daniel Wettreich, a director and officer of the Company is also a director in these companies.

At July 31, 2015, the due to related parties in the amount of \$3,176 (2014 – \$114,836) is comprised of a payable to Daniel Wettreich, a director in the amount of \$3,176 (2014 - \$12,764) which amounts were made to provide working capital, and due to Sammiri Capital Inc. ("Sammiri"), a private company owned by Daniel Wettreich in the amount of \$nil (2014 - \$102,072). All of the amounts are interest-free and due on demand.

On November 27, 2014, the Company's affiliate Zara issued 320,208 and 113,000 common shares respectively to settle a debt of \$160,104 due to Sammiri Capital Inc., a private company owned by Daniel Wettreich and \$56,500 due to Vista Gold Resources, a private company owned by Sethu Raman, a former director of Zara.

GreenBank Capital Inc.

Notes to Consolidated Financial Statements

Year Ended July 31, 2015

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14. Related Party Transactions and Disclosures (continued)

During the year ended July 31, 2015, the Company along with its affiliates incurred transfer agent fees of \$15,374 (2014 - \$nil) to Reliable Stock Transfer Inc., a Company owned by Daniel Wettreich for the provision of share transfer services. The amount is comprised of \$3,448 (2014 - \$nil) incurred by the Company, \$4,166 (2014 - \$nil) by Zara, \$3,930 (2014 - \$nil) by Leo and \$3,830 (2014 - \$nil) by Hadley. As at July 31, 2015, amount owed to Reliable Stock Transfer Inc. is \$13,874 (2014 - \$nil). This amount is broken down as follows; owed by the Company of \$3,557 (2014 - \$nil), Zara of \$3,520 (2014 - \$nil), Leo of \$3,396 (2014 - \$nil) and Hadley of \$3,401 (2014 - \$nil). These amounts were included in the accounts payable and accrued liabilities at July 31, 2015.

Key Management Compensation

During the year ended July 31, 2015, the Company incurred management fees expenses of \$nil (2014 - \$122,000) to Sammiri for the provision of management services. As at July 31, 2015, the amount of \$57,915 (2014 - \$117,240) was owed thereto in relation to fees for management services for prior periods and carried forward and has been included in accounts payables and accrued liabilities.

In addition, during the year ended July 31, 2015, the Company's affiliate Zara has incurred fees of \$nil (2014 - \$50,000) to a private company controlled by Sethu Raman, a former director of Zara for the provision of consulting fees and finder's fees. At July 31, 2015, the amount of \$nil (2014 - \$56,500) related thereto has been included in accounts payables and accrued liabilities.

15. Convertible Debentures of Subsidiary

(a) On January 7, 2014, the Company's wholly owned subsidiary Bitcoin Angel Capital Inc. ("BAC") issued \$100,000 Convertible Debentures Series B to acquire 20% of the outstanding shares of Sovereign Exchange International Inc. ("Sovereign"). Each \$1 Series B Debenture may be converted into four common shares of Bitcoin at the time Bitcoin lists on the CSE. Unless repaid early or converted to common shares, the obligation will be due and payable by December 31, 2015. The holder has the right to receive a yield prior to conversion, 10% of the net profits after expenses from Bitcoin's sale of shares of Sovereign on a quarterly basis. The Series B Debenture is secured by the shares of Sovereign held by Bitcoin.

The Series B Debenture contains both a liability component and an equity component, being the holder's conversion right, which has been separately presented in the consolidated statement of financial position using the residual method. At issuance, the Company estimated the fair value of the conversion option by deducting the present value of the future cash outflows of the debenture from the face value of the principal of the Series B Debenture. The \$70,000 fair value of the liability component was determined by discounting the stream of future payment of principal at the estimated prevailing market rate of 20% for a comparable debt instrument that excluded any conversion privilege by the holder. The Company's intention is to hold the investment in Sovereign Exchange for the long-term. The residual carrying value of the Series B Debenture is required to be accreted to the redemption value of the Series B Debenture to the maturity date of the Series B Debenture based on an effective annual interest rate of 20%. The value of the conversion feature has been accounted for as equity in the amount of \$30,000 and the liability portion has been accounted for in the amount of \$70,000 at the time of issuance.

The Series B Debentures was surrendered on June 22, 2015 and accordingly the equity component has been transferred to contributed surplus and the liability to statement of loss and comprehensive loss.

GreenBank Capital Inc.**Notes to Consolidated Financial Statements****Year Ended July 31, 2015****(Expressed in Canadian Dollars)**

15. Convertible Debentures of Subsidiary (continued)

(b) On May 11, 2014, the Company's wholly owned subsidiary BAC issued \$16,666 Convertible Debentures Series A to settle a liability of the Company. Each \$1 Series A Debenture may be converted into four common shares of Bitcoin at the time Bitcoin lists on the CSE. Unless repaid early or converted to common shares, the obligation will be due and payable by December 31, 2015.

The Series A Debenture contains both a liability component and an equity component, being the holder's conversion right, which has been separately presented in the consolidated statement of financial position using the residual method. The Company has allocated the \$16,666 face value of the Series A Debenture to the liability and equity components. At issuance, the Company estimated the fair value of the conversion option by deducting the present value of the future cash outflows of the debenture from the face value of the principal of the Series A Debenture. The residual carrying value of the Series A Debenture is required to be accreted to the redemption value of the Series A Debenture to the maturity date of the Series A Debenture based on an effective annual interest rate of 20%. The value of the conversion feature has been accounted for as equity in the amount of \$4,666 and the liability portion has been accounted for in the amount of \$12,000 at the time of issuance.

The balance at July 31, 2015 is made up as follows:

	Series B	Series A	Total
Principal balance repayable	\$ 100,000	\$ 16,666	\$ 116,666
Less: value of conversion feature	(30,000)	(4,666)	(34,666)
	70,000	12,000	82,000
Interest accretion during the year ended July 31, 2014	8,108	539	8,647
Balance, July 31, 2014	78,108	12,539	90,647
Interest accretion for the year	15,679	2,735	18,414
Cancellation	(93,787)	-	(93,787)
Balance, July 31, 2015	\$ -	\$ 15,274	\$ 15,274

GreenBank Capital Inc.

Notes to Consolidated Financial Statements

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16. Non-Controlling Interests

The Company has a 49.0% interest in Hadley Mining Inc. ("Hadley"), a 31.07% interest in Zara Resources Inc. ("Zara"), a 19.96% interest in Leo Resources Inc. ("Leo") and an 80% interest in GreenCoinX Inc. ("GreenCoinX"). Although Hadley, Zara, Leo and GreenCoinX are not legal subsidiaries of the Company, they have common directors and officers giving GreenBank effective control of Hadley, Zara, Leo and GreenCoinX. Therefore Hadley, Zara, Leo and GreenCoinX are consolidated into these financial statements with non-controlling interest.

	Hadley	Zara	Leo	GreenCoinX	Total
Balance, July 31, 2013	\$ 163,462	\$ 880,736	\$ -	\$ -	\$1,044,198
Share of net loss for the period	(179,377)	(737,222)	(119,826)	(393)	1,036,818)
Contributions	-	115,918	228,000	12,500	356,418
Balance, July 31, 2014	(15,915)	259,432	108,174	12,107	363,798
Share of net loss for the period	(33,833)	(374,093)	(285,007)	(15,085)	(708,018)
Contributions	-	101,922	-	27,500	129,422
Balance, July 31, 2015	\$ (49,748)	\$ (12,739)	\$ (176,833)	\$ 24,522	\$ (214,798)

During the year ended July 31, 2015, the Company sold 298,800 shares (2014 – nil) of Leo Resources Inc. to an arm's length party and recorded a gain on sale of investment of \$146,295 (2014 – \$nil).

17. 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:

	2015	2014
Loss before income taxes	\$ (898,111)	\$ (2,037,221)
Combined statutory rate	26.5%	26.5%
	(238,000)	(540,000)
Impairment of exploration and evaluation assets	286,000	221,000
Impairment of investments	-	26,000
Cancellation of convertible debentures	(25,000)	-
Share-based compensation	8,000	24,000
Other	(34,000)	3,000
Benefit of tax losses not recognized	3,000	266,000
	\$ -	\$ -

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17. Income Taxes (continued)

As at July 31, 2015, the Company has Canadian non-capital losses of approximately \$1,588,000 (2014 - \$1,578,000) available for deduction against future Canadian taxable income, the balances of which will expire as follows:

2033	\$	575,000
2034		1,003,000
2035		10,000
	\$	1,588,000

Deferred income tax assets

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

	2015	2014
Benefit of non-capital losses	\$ 421,000	\$ 418,000
Mineral property exploration	506,000	225,000
Share issue costs	2,000	3,000
Less: Valuation allowance (100% impairment deferred tax asset)	(929,000)	(646,000)
	\$ -	\$ -

Deferred income tax assets have been impaired in respect of these items because it is not probable that future profit will be available against which the Company can utilize the benefits therefrom.

18. Contingency

On November 26, 2014, the Company's subsidiary Zara became aware of a claim by a law firm for legal expenses. The Company is of the opinion that if a formal claim is made, such a claim would be frivolous and completely without merit and has commenced investigation into the matter. As such, a contingent liability has not been set up on the financial statements as the outcome is not determinable. There has been no further developments and the Company has not received any formal claim.

GreenBank Capital Inc.

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19. Segmented Information

As at July 31, 2015, the Company has four reportable segments: consulting services, investment banking, software developer and exploration and evaluation of mining interests. No operating segments have been aggregated in arriving at the reportable segments.

The Company's consulting services are carried out by the parent company, GreenBank Capital Inc., investment banking is carried out through GreenBank Financial Inc., a wholly owned subsidiary of the Company. The software developer segment is comprised of its crypto currency development, carried out through GreenCoinX Inc. The exploration and evaluation segment is comprised of its mining interests held through its three subsidiaries, Leo, Zara and Hadley and all properties are held in Canada.

The Company evaluates performance and allocates resources based on profit or loss from operations before income taxes as well as results from exploration.

There are no inter-segment transactions.

Information on reportable segments is as follows:

As at July 31, 2015	Consulting Services	Investment Banking	Software Developer	Mining Interest	Total
Revenue	\$ 54,652	\$ -	\$ -	\$ -	\$ 54,652
Segment loss	-	(4,769)	(161,336)	(732,006)	(898,111)
Segment assets	-	60,443	12,500	214,127	287,070
Segment liabilities	-	(10,020)	-	(207,704)	(217,724)

As at July 31, 2014	Consulting Services	Investment Banking	Software Developer	Mining Interest	Total
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Segment loss	-	-	-	2,037,221)	2,037,221)
Segment assets	-	-	12,500	1,295,281	1,307,781
Segment liabilities	-	-	-	(745,083)	(745,083)

20. Supplemental Cash Flow Information

Non-cash transactions not reflected in the Statements of Cash Flows for the year ended July 31, 2015 and 2014 are as follows:

	July 31, 2015	July 31, 2014
Zara		
Shares issued to settle due to related companies (note 14)	\$ 160,104	\$ -
Shares issued to settle accounts payable and accrued liabilities	323,707	-
Shares issued to settle dividends	51,595	-

GreenBank Capital Inc.

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21. Proposed Transaction

On February 6, 2015, the Company's subsidiary, Hadley announced that it has signed a Letter of Intent and proposes to enter into a definitive binding agreement (the "Acquisition Agreement") to acquire 100% of the issued and outstanding share capital of Vargo Holdings Ltd ("Vargo") payable by the issuance of 92,500,000 new Hadley shares at a deemed price of CAD\$0.28 per share. Vargo is a Cyprus based private company, which is 100% owned by Acazis AG ("Acazis") a German based African investment company whose CEO is Patrick Bigger. Vargo owns 90% of Gondar Agro Forestry Corporation ("Gondar"), which owns the Guna State Forest Concession ("Concession").

On November 22, 2015, the Company announced that it has completed its due diligence and has decided not to proceed with the acquisition and its related transactions.

22. Events After the Reporting Period

- i) On September 14, 2015, Zara announced that, subject to a dual listing on the AIM market in London, it will seek shareholder approval to change its business to a natural resources investment company. The Company also proposed to change its board of directors, raise GBP 4 million in a private placement in London, and change its name to SmallCap Resource Investments Inc.
- ii) On August 24, 2015, the Company announced that its 80% owned subsidiary GreenCoinX Inc. has formed an advisory Board of executives who collectively bring immense technological, corporate, financial and entrepreneurial experience that will assist in the further development of GreenCoinX Inc.