



Condensed Consolidated Interim Financial Statements
Nine Month Period Ended November 30, 2016
(Unaudited – prepared by Management)
(Expressed in Canadian Dollars)

Condensed Consolidated Unaudited Interim Financial Statements

In accordance with National Instruments 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the condensed consolidated interim unaudited financial statements for the nine month period ended November 30, 2016.

Serengeti Resources Inc.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	November 30, 2016	February 29, 2016
ASSETS			
Current assets			
Cash and cash equivalents	3	\$ 763,115	\$ 146,169
Receivables	4	67,846	2,599
Prepaid expenses		16,688	11,688
		847,649	160,456
Non-current assets			
Equipment		3,453	4,456
Exploration and evaluation assets	6	19,021,037	19,257,564
Reclamation deposits	5	73,024	73,024
		19,097,514	19,335,044
TOTAL ASSETS		\$ 19,945,163	\$ 19,495,500
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	7	\$ 248,071	\$ 39,740
Notes payable	8	57,300	173,621
		305,371	213,361
TOTAL LIABILITIES		305,371	213,361
SHAREHOLDERS' EQUITY			
Share capital		39,357,857	38,781,638
Warrants		221,959	72,471
Reserves		7,585,969	7,543,288
Deficit		(27,525,993)	(27,115,258)
TOTAL SHAREHOLDERS' EQUITY		19,639,792	19,282,139
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 19,945,163	\$ 19,495,500

Nature of operations and going concern (Note 1)
Commitments (Note 9)
Subsequent events (Note 13)

Serengeti Resources Inc.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Note	Three month period ended		Nine month period ended	
		November 30, 2016	November 30, 2015	November 30, 2016	November 30, 2015
Expenses					
Consulting		\$ 13,372	\$ 13,550	\$ 53,932	\$ 36,649
Conventions and tradeshow		24,752	29	30,339	8,550
Corporate development		767	4,323	41,897	29,854
Depreciation		334	477	1,002	1,432
Investor relations		18,288	1,188	47,924	8,412
Management fees		32,200	19,895	88,550	86,581
Office and miscellaneous		16,065	15,160	50,816	49,924
Professional fees		7,017	3,750	25,762	17,924
Project investigation costs		3,906	4,027	5,942	8,700
Share-based payments	10	-	-	46,583	-
Transfer agent and filing fees		6,127	2,300	19,081	11,343
Wages and salaries		-	6,678	-	27,075
		(122,828)	(71,377)	(411,828)	(286,444)
Interest income		1,093	362	1,093	583
Expenses recovered		-	7,489	-	7,489
Net loss before income taxes		(121,735)	(63,526)	(410,735)	(278,372)
Loss and comprehensive loss for period		\$ (121,735)	\$ (63,526)	\$ (410,735)	\$ (278,372)
Loss per share – basic and diluted		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding		70,846,502	53,057,318	66,337,406	51,747,842

Serengeti Resources Inc.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Share capital		Reserves			Total
	Number of shares	Amount	Warrants	Share-based payment reserve	Deficit	
Balance at February 28, 2015	51,100,221	\$ 38,564,432	\$ -	\$ 7,485,416	\$ (26,687,989)	\$ 19,361,859
Shares issued for cash - private placement	12,020,600	300,515	-	-	-	300,515
Share issue costs - cash	-	(10,433)	-	-	-	(10,433)
Warrants issued		(107,833)	107,833	-	-	-
Net loss for the period	-	-	-	-	(278,372)	(278,372)
Balance at November 30, 2015	63,120,821	\$ 38,746,681	\$ 107,833	\$ 7,485,416	\$ (26,966,361)	\$ 19,373,569
Balance at February 29, 2016	63,120,821	\$ 38,781,638	\$ 72,471	\$ 7,543,288	\$ (27,115,258)	\$ 19,282,139
Shares issued for cash - private placement	6,612,000	661,200	-	-	-	661,200
Share issue costs	-	(37,679)	(11,105)	-	-	(48,784)
Shares issued for cash - exercise of stock options	125,000	6,250	-	-	-	6,250
Reallocation - fair market value of stock options exercised	-	3,902	-	(3,902)	-	-
Shares issued for cash - exercise of warrants	1,661,000	83,050	-	-	-	83,050
Reallocation - fair market value of warrants exercised		10,014	(10,014)	-	-	-
Warrants issued	-	(150,518)	150,518	-	-	-
Fair market value - finders warrants	-	-	20,089	-	-	20,089
Share-based payments	-	-	-	46,583	-	46,583
Net loss for the period	-	-	-	-	(410,735)	(410,735)
Balance at November 30, 2016	71,518,821	\$ 39,357,857	\$ 221,959	\$ 7,585,969	\$ (27,525,993)	\$ 19,639,792

See accompanying notes to the condensed consolidated interim financial statements

Serengeti Resources Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars)

	Note	Three month period ended		Nine month period ended	
		November 30, 2016	November 30, 2015	November 30, 2016	November 30, 2015
Operating activities					
Net loss for the period		\$ (121,735)	\$ (63,526)	\$ (410,735)	\$ (278,372)
Adjustments for non-cash items:					
Depreciation		334	477	1,002	1,432
Share-based payments		-	-	46,583	-
Changes in non-cash working capital items:					
Receivables		(35,759)	139	(65,247)	3,412
Prepaid expenses		(1,990)	2,988	(5,000)	10,028
Trade payables and accrued liabilities		(39,336)	(8,386)	24,684	4,802
Notes payable - accrual	8	-	28,000	36,000	100,750
Net cash flows used in operating activities		(198,486)	(40,308)	(372,713)	(157,948)
Investing activities					
Expenditures on exploration and evaluation assets		(322,480)	(28,263)	(793,970)	(48,634)
Less: expenses recovered		14,144	57,043	14,144	57,043
Recovery of exploration and evaluation property expenditure	6	-	-	1,200,000	-
Reclamation deposits refunded		-	8,500	-	8,500
Net cash flows provided by (used in) investing activities		(308,336)	37,280	420,174	16,909
Financing activities					
Proceeds on issuance of common shares (net of share issuance costs \$28,694)	10	83,050	290,082	721,806	290,082
Loan payable	4	-	(15,000)	-	-
Notes payable - repayments	8	-	(83,230)	(152,321)	(83,230)
Net cash flows provided by financing activities		83,050	191,852	569,485	206,852
Increase (decrease) in cash and cash equivalents		(423,772)	188,824	616,946	65,813
Cash and cash equivalents, beginning of period		1,186,887	47,109	146,169	170,120
Cash and cash equivalents, ending of period		\$ 763,115	\$ 235,933	\$ 763,115	\$ 235,933

See accompanying notes to the condensed consolidated interim financial statements

1. Nature of operations and going concern

Serengeti Resources Inc. (the "Company") was incorporated on March 5, 1973, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "SIR-V".

The head office and principal address of the Company is located at 800 West Pender Street, Suite 520, Vancouver, British Columbia, Canada, V6C 2V6. The Company's registered and records office address is 1185 West Georgia Street, Suite 1750, Vancouver, British Columbia, Canada, V6E 4E6.

Going concern

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At November 30, 2016, the Company had not achieved profitable operations, had a net loss of \$410,735 (November 30, 2015 – \$278,372) for the nine month period ended November 30, 2016 and accumulated losses of \$27,525,993 (February 29, 2016 - \$27,115,258) since inception, had a working capital of \$542,278, had not advanced its mineral properties to commercial production and expects to incur further losses in the development of its business, all of which indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its mineral property exploration activities and its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. Significant accounting policies and basis of preparation

These condensed consolidated interim financial statements were authorized for issue on January 27, 2017 by the directors of the Company.

Statement of compliance with International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied by the Company in these condensed consolidated interim financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended February 29, 2016.

The condensed consolidated interim financial statements do not include all of the information and note disclosures required for full annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended February 29, 2016.

3. Cash and cash equivalents

The components of cash and cash equivalents are as follows:

	November 30,		February 29,	
	2016		2016	
Cash at bank	\$	680,615	\$	146,120
Guaranteed investment certificates		82,500		-
	\$	763,115	\$	146,120

4. Receivables

	November 30,		February 29,	
	2016		2016	
HST / GST receivable	\$	43,958	\$	2,468
Other receivables		23,888		131
	\$	67,846	\$	2,599

5. Reclamation deposits

The Company has posted bonds and investment certificates to provide for certain potential reclamation liabilities as agreed with the Province of British Columbia – Ministry of Energy, Mines and Petroleum Resources.

	November 30,		February 29,	
	2016		2016	
Balance, beginning of period	\$	73,024	\$	73,024
Changes		-		-
Balance, end of period	\$	73,024	\$	73,024

Serengeti Resources Inc.
Notes to the Condensed Consolidated Interim Financial Statements
(Expressed in Canadian dollars - unaudited)
For the nine month period ended November 30, 2016 and 2015

6. Exploration and evaluation assets

The following is a description of the Company's exploration and evaluation assets and the related expenditures incurred for the nine month period ended November 30, 2016:

	Kwanika	Milligan West	Other	Period ended November 30, 2016
Property acquisition costs				
Balance, beginning of period	\$ 202,130	\$ 43,111	\$ 777,756	\$ 1,022,997
Additions	801	-	-	801
Balance, end of period	\$ 202,931	\$ 43,111	\$ 777,756	\$ 1,023,798
Exploration and evaluation costs				
Balance, beginning of period	\$ 17,377,073	\$ 251,979	\$ 605,515	\$ 18,234,567
Costs incurred during period:				
Administration	10,225	-	-	10,225
Aircraft	-	19,051	28,782	47,833
Analysis	29,057	-	-	29,057
Camp and operations	197,861	1,439	5,729	205,029
Consulting	114,829	5,268	11,311	131,408
Drilling	211,180	-	-	211,180
Geophysics	40,450	30,915	92,482	163,847
Resource Study/Engineering	145,708	-	-	145,708
Software purchased	3,112	-	-	3,112
Travel and accommodation	17,314	857	11,246	29,417
	769,736	57,530	149,550	976,816
Recovery of costs during period:				
Exploration tax credits	(5,110)	(109)	(8,925)	(14,144)
Cost recoveries	(1,200,000)	-	-	(1,200,000)
	(1,205,110)	(109)	(8,925)	(1,214,144)
Balance, end of period	\$ 16,941,699	\$ 309,400	\$ 746,140	\$ 17,997,239
Total	\$ 17,144,630	\$ 352,511	\$ 1,523,896	\$ 19,021,037

a) Kwanika

The Kwanika property is 95% owned by the Company as a result of the transaction set out below and is located in the northern portion of the Quesnel Trough, British Columbia.

Unincorporated joint venture agreement

On April 6, 2016, the Company closed a transaction with Daewoo Minerals Canada Corp. ("DMC"), a 100% owned Canadian subsidiary of POSCO Daewoo Corp, one of South Korea's leading trading corporations, whereby DMC may earn up to a 35% interest in Serengeti's Kwanika copper-gold project and four adjacent properties by providing funding of \$ 8.2 million. An initial \$1.2 million investment has been paid into the joint venture account, from which Serengeti has received \$400,000.

6. Exploration and evaluation assets (cont'd)

The principal business terms of the deal are as follows:

- DMC has funded \$1.2 million in the first year as agreed and has earned 5% interest in the Kwanika project of which \$0.8 million is dedicated to project expenditures and \$0.4 million paid directly to Serengeti as an operator's fee.
- DMC may earn an additional 30% interest in the project by funding an additional \$7 million over the subsequent two years for aggregate expenditures of \$8.2 million over three years to earn an aggregate 35% project interest.

Other terms include:

- Serengeti remains as project operator so long as it maintains a majority interest, and is entitled to charge a 10% operator's fee on expenditures beyond the initial \$1.2 million investment by DMC.
- Serengeti, in addition to maintaining its project interest, would be granted a 1% NSR royalty if its project interest is diluted below 50% and an additional 0.5% NSR royalty if its interest is diluted below 33 ⅓ %, subject to partial buyback provisions to DMC.
- DMC to have certain concentrate offtake rights from production on the project, subject to Serengeti's ability to enter into separate streaming arrangements.
- On proceeding with the second stage Kwanika earn-in, DMC has the right to select and earn into one of Serengeti's other exploration properties by funding additional expenditures, which property would be nominated at Serengeti's sole discretion.

b) Milligan West

The Company owns approximately 55% interest in the Milligan West property in joint venture with Fjordland Exploration Inc.

c) Other B.C. Properties

The Company owns a 100% interest in 9 properties (exclusive of Kwanika and related parties) and a 65.2% interest in one other in joint venture with Fjordland Exploration Inc.

7. Trade payables and accrued liabilities

	November 30,	February 29,
	2016	2016
Trade payables	\$ 212,549	\$ 22,309
Amounts due to related parties (Note 11)	5,522	3,005
Accrued liabilities	30,000	14,426
	\$ 248,071	\$ 39,740

8. Notes payable

As at November 30, 2016, the Company was indebted by way of non-interest bearing notes payable to officers and directors in the amount of \$57,300 to the CEO (February 29, 2016 - \$173,621). During the nine month period ended November 30, 2016 a total of \$36,000 was accrued for CEO fees and a total of \$152,321 was paid out for a net reduction of \$116,321. The remaining amount owing of \$57,300 is due to the CEO.

9. Commitments

Pursuant to the unincorporated joint venture agreement set out in Note 6(a) the Company at November 30, 2016 held \$85,160 in cash and cash equivalent funds which are required to be expended on the Kwanika Project. This amount is the unexpended balance of the \$800,000 advanced by DMC in April 2016 which is net of the \$400,000 up-front cash operating fee paid to Serengeti.

10. Share capital and reserves

Authorized share capital

An unlimited number of common shares without par value.

Issued share capital

At November 30, 2016, there were 71,518,821 issued and fully paid common shares (February 29, 2016 – 63,120,821).

On August 5, 2016, the Company closed a placement raising gross proceeds of \$661,200. The private placement consisted of to 6,612,000 units at a price of \$0.10 per unit, with each Unit consisting of one common share and one half of one share purchase warrant. Each whole Warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.15 for a period of two years. The Company paid \$21,300 in cash for finders fees and issued 213,000 finders warrants with an exercise price of \$0.15 for a period of two years.

On August 8, 2016, holders exercised 125,000 stock options for cash proceeds of \$6,250.

During the nine month period ended November 30, 2016, a total of 1,661,000 warrants were exercised for cash proceeds of \$83,050.

Basic and diluted loss per share

The basic and diluted loss per share for the nine month period ended November 30, 2016 was \$0.01 (2015 - \$0.01). The calculation of basic and diluted loss per share for the nine month period ended November 30, 2016 was based on the loss attributable to common shareholders of \$410,735 (2015 - \$278,372) and the weighted average number of common shares outstanding of 66,337,406 (2015 – 51,747,842). The diluted loss per share does not include the effect of stock options and warrants as they are anti-dilutive. As of November 30, 2016, the total number of potentially dilutive shares excluded from the calculation of loss per share was 21,263,600 made up of 13,878,600 warrants (2015 – 12,020,600) and 7,385,000 stock options (2015 – 4,860,000).

10. Share capital and reserves (cont'd)

Warrants

The following table summarizes information about the issued and outstanding warrants as at November 30, 2016 and February 29, 2016:

	November 30, 2016		February 29, 2016	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning of period	12,020,600	\$ 0.05	-	\$ -
Warrants issued	3,519,000	0.15	12,020,600	0.05
Warrants exercised	(1,661,000)	0.05	-	-
Warrants outstanding, end of period	13,878,600	\$ 0.08	12,020,600	\$ 0.05

Stock options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V policies, grant to directors, officers, employees and consultants of the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance does not exceed a fixed total of 12,624,000. Such options may be exercisable for a period of up to five years from the date of grant.

On April 27, 2016, the Company granted stock options to acquire up to 1,320,000 common shares of the Company at a price of \$0.07 per share with an exercise period of five years.

On June 1, 2016, the Company granted stock options to acquire up to 150,000 common shares of the Company at a price of \$0.07 per share with an exercise period of two years.

On July 7, 2016, the Company granted stock options to acquire up to 50,000 common shares of the Company at a price of \$0.095 per share with an exercise period of five years.

On July 27, 2016, the Company granted stock options to acquire up to 200,000 common shares of the Company at a price of \$0.135 per share with an exercise period of two years.

During the nine month period ending 195,000 stock options expired unexercised.

10. Share capital and reserves (cont'd)

The changes in options during the nine month period ended November 30, 2016 and the year ended February 29, 2016 are as follows:

	November 30, 2016		February 29, 2016	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of period	5,985,000	\$ 0.10	5,675,000	\$ 0.15
Options granted	1,720,000	0.08	1,900,000	0.05
Options exercised	(125,000)	0.05	-	-
Options expired	(195,000)	0.14	(1,590,000)	0.23
Options outstanding, end of period	7,385,000	\$ 0.09	5,985,000	\$ 0.10
Options exercisable, end of period	7,385,000	\$ 0.09	5,985,000	\$ 0.10

Details of options outstanding as at November 30, 2016 are as follows:

Weighted average exercise price	Weighted average contractual life	Number of options outstanding	Number of options exercisable
\$0.05 - \$0.12	2.82 years	6,445,000	6,445,000
\$0.13 - \$0.20	0.44 year	940,000	940,000
	2.51 years	7,385,000	7,385,000

The Company recorded share-based compensation of \$46,583 (2015 - \$Nil) relating to options vested during the period. The fair value was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	November 30, 2016	February 29, 2016
Expected life of options	2-5 years	3.5 years
Annualized volatility	112%	127%
Risk-free interest rate	0.65%	0.54%
Dividend rate	0%	0%

11. Related party transactions

Related party balances

The following amounts due to related parties are included in trade payables and accrued liabilities, and have arisen from the unpaid portion of certain fees disclosed below as well as amounts owing for expense reimbursements. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

	November 30,	February 29,
	2016	2016
Directors and officers of the Company	\$ 5,522	\$ 3,005

Key management personnel compensation – paid or accrued

Key management personnel include those persons having authority and responsibility for planning, directing and controlling activities of the Company. The Company has determined that its key management personnel consist of the Company's Board of Directors and corporate officers.

	Nine month period ended November 30,	
	2016	2015
Management fees (1)	\$ 126,000	\$ 112,000
Consulting (2)	52,981	40,087
Share-based payments	40,153	-
	\$ 219,134	\$ 152,087

(1) A portion of management fees are allocated to exploration and evaluation assets.

(2) Includes accounting fees paid to a company controlled by the CFO of \$34,346 (2015: \$22,560)

Effective January 1, 2016 the President agreed to defer 43% of his compensation to accrued liability on the understanding that the amount would continue to accrue until the earlier of the Company being in receipt of funds relating to a financing or September 15, 2016. As a result of the Company raising capital, the President's salary was returned to full pay effective September 1, 2016.

The CEO and a director participated in the private placement for total proceeds of \$135,000. Notes 7 and 8 also set out certain significant transactions and balances with related parties.

12. Financial risk management

There have been no changes to the nature of the Company's financial instrument related risks, or to the Company's processes for managing such risks, since the Company's issuance of its annual audited financial statements for the year ended February 29, 2016.

13. Subsequent events

Subsequent to November 30, 2016, 740,000 stock options with an exercise price of \$0.20 expired unexercised.