SERENGETI
RESOURCES INC.

Condensed Consolidated Interim Financial Statements

Six Month Period Ended August 31, 2015

(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 six month period ended August 31, 2015.

(Expressed in Canadian dollars - unaudited)

	Notes	August 31, 2015	February 28, 2015
ASSETS			
Current assets			
Cash and cash equivalents		$ 47,109	$ 170,120
Receivables		3,092	6,365
Prepaid expenses		14,650	21,690
		64,851	198,175
Non-current assets			
Exploration and evaluation assets	3	19,299,296	19,265,871
Reclamation deposits	4	81,524	81,524
Equipment		5,410	6,365
		19,386,230	19,353,760
TOTAL ASSETS		**$ 19,451,081**	**$ 19,551,935**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	5	$ 76,217	$ 49,975
Loan payable	5	15,000	-
		91,217	49,975
Non-current liabilities			
Long-term debt – notes payable	6	212,851	140,101
TOTAL LIABILITIES		**304,068**	**190,076**
SHAREHOLDERS' EQUITY			
Share capital	8	38,564,432	38,564,432
Reserves		7,485,416	7,485,416
Deficit		(26,902,835)	(26,687,989)
TOTAL SHAREHOLDERS' EQUITY		**19,147,013**	**19,361,859**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 19,451,081**	**$ 19,551,935**

Nature of operations and going concern (Note 1)
Commitments (Note 7)
Subsequent event (Note 11)

(Expressed in Canadian dollars - unaudited)

	Notes	Three month period ended August 31, 2015	Three month period ended August 31, 2014	Six month period ended August 31, 2015	Six month period ended August 31, 2014
Expenses					
Consulting		$ 9,816	$ 20,690	$ 23,099	$ 36,254
Conventions and tradeshows		362	524	8,521	8,613
Corporate development		17,792	12,119	25,531	12,119
Depreciation		478	1,386	955	2,772
Director fees		-	6,250	-	6,250
Investor relations		2,688	4,784	7,224	17,334
Management fees		30,583	33,864	66,686	64,398
Office and miscellaneous		15,777	26,027	34,764	59,314
Professional fees		9,418	5,078	14,174	6,858
Project investigation costs		1,527	12,194	4,673	21,838
Share-based payments	8	-	-	-	4,951
Transfer agent and filing fees		6,240	7,780	9,043	10,600
Wages and salaries		6,516	18,153	20,397	42,152
		(101,197)	(148,849)	(215,067)	(293,453)
Interest income		221	1,677	221	3,018
Loss and comprehensive loss for period		**$ (100,976)**	**$ (147,172)**	**$ (214,846)**	**$ (290,435)**
Loss per share – basic and diluted		**$ (0.00)**	**$ (0.00)**	**$ (0.00)**	**$ (0.01)**
Weighted average number of common shares outstanding		**51,100,221**	**51,100,221**	**51,100,221**	**51,100,221**

(Expressed in Canadian dollars - unaudited)

	Share capital		Reserves		
	Number of shares	Amount	Share-based payment reserve	Deficit	Total
Balance at February 28, 2014	**51,100,221**	**$ 38,564,432**	**$ 7,478,017**	**$ (26,143,264)**	**$ 19,899,185**
Share-based payments	-	-	7,399	-	7,399
Net loss for the period	-	-	-	(290,435)	(290,435)
Balance at August 31, 2014	**51,100,221**	**$ 38,564,432**	**$ 7,485,416**	**$ (26,433,699)**	**$ 19,616,149**
Balance at February 28, 2015	**51,100,221**	**$ 38,564,432**	**$ 7,485,416**	**$ (26,687,989)**	**$ 19,361,859**
Net loss for the period	-	-	-	(214,846)	(214,846)
Balance at August 31, 2015	**51,100,221**	**$ 38,564,432**	**$ 7,485,416**	**$ (26,902,835)**	**$ 19,147,013**

(Expressed in Canadian dollars - audited)

	Three month period ended	August 31,	Six month period ended	August 31,
	2015	**2014**	**2015**	**2014**
Operating activities				
Net loss for the period	$ (100,976)	$ (147,172)	$ (214,846)	$ (290,435)
Adjustments for non-cash items:				
Depreciation	478	1,386	955	2,772
Share-based payments	-	-	-	4,951
Changes in non-cash working capital items:				
Receivables	1,170	(2,092)	3,273	(1,938)
Prepaid expenses	2,931	(2,999)	7,040	(687)
Trade payables and accrued liabilities	3,480	(19,875)	13,188	(19,429)
Long-term debt - notes payable	42,000	-	72,750	-
Net cash flows used in operating activities	(50,917)	(170,752)	(117,640)	(304,766)
Investing activities				
Expenditures on exploration and evaluation assets	(3,894)	(133,128)	(20,371)	(158,693)
Net cash flows used in investing activities	(3,894)	(133,128)	(20,371)	(158,693)
Financing activities				
Loan payable	15,000	-	15,000	-
Net cash flows provided by financing activities	15,000	-	15,000	-
Decrease in cash and cash equivalents	(39,811)	(303,880)	(123,011)	(463,459)
Cash and cash equivalents, beginning of period	86,920	626,308	170,120	785,887
Cash and cash equivalents, ending of period	**$ 47,109**	**$ 322,428**	**$ 47,109**	**$ 322,428**

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-X".

The head office and principal address of the Company is located at 543 Granville Street, Suite 303, Vancouver, British Columbia, Canada, V6C 1X8. The Company's registered and records office address is 1185 West Georgia Street, Suite 1750, Vancouver, British Columbia, Canada, V6E 4E6.

Going concern

These condensed consolidated interim 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 August 31, 2015, the Company had not achieved profitable operations, had a net loss of $214,846 for the six month period ended August 31, 2015 and accumulated losses of $26,902,835 since inception, 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 October 29, 2015 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 Standards 34, *Interim Financial Reporting* ("IAS 34") using accounting policies consistent with International Financial Reporting Standard ("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 28, 2015.

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 28, 2015.

(Expressed in Canadian dollars - unaudited)

3. Exploration and evaluation assets

The following is a description of the Company's exploration and evaluation assets and the related expenditures incurred for the six month period ended August 31, 2015:

	Kwanika	Milligan West	Other	Six months period ended August 31, 2015
Property acquisition costs				
Balance, beginning of period	$ 202,130	$ 43,111	$ 776,064	$ 1,021,305
Additions	-	-	1,468	1,468
Balance, end of period	$ 202,130	$ 43,111	$ 777,532	$ 1,022,773
Exploration and evaluation costs				
Balance, beginning of period	$ 17,378,385	$ 252,651	$ 613,530	$ 18,244,566
Costs incurred during period:				
Camp and operations	357	-	729	1,086
Consulting	2,181	363	9,850	12,394
Geophysics	6,451	-	11,843	18,294
Travel and accommodation	183	-	-	183
	9,172	363	22,422	31,957
Balance, end of period	$ 17,387,557	$ 253,014	$ 635,952	$ 18,276,523
Total	$ 17,589,687	$ 296,125	$ 1,413,484	$ 19,299,296

a) Kwanika

The Kwanika property is 100% owned by the Company and located in the northern portion of the Quesnel Trough, British Columbia.

b) Milligan West

The Company owns a 50% 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 14 properties (exclusive of Kwanika) and a 65.2% interest in 2 others in joint venture with Fjordland Exploration Inc.

All the Companies mineral properties are located in Canada.

4. 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.

(Expressed in Canadian dollars - unaudited)

5. Trade payables and accrued liabilities

		August 31 2015		February 28, 2015
Trade payables	$	57,936	$	27,921
Amounts due to related parties (Note 6 and 9)		6,802		2,513
Accrued liabilities		11,479		19,541
	$	76,217	$	49,975

On August 27, 2015 the Company borrowed cash for proceeds a total of $15,000 from a director of the Company. The loan is secured against the receipt by the Company of its 2015 year end BC Mineral Exploration Tax Credit ("BC METC) and bears interest at 10% per annum.

6. Long-term debt – notes payable

As at August 31, 2015, the Company was indebted to officers and directors in the amount of $212,851 (February 28, 2015 - $140,101) in respect of CEO and CFO fees, consulting fees, directors' fees and salaries.

On February 28, 2015, the Company signed agreements with the officers and directors agreeing to defer payment of the amounts owed and describing the settlement terms. The notes payable are a summary of these obligations and have the following attributes:

1. To be paid in full on September 15, 2016
2. The notes may be used as partial or full payment under any future private placement of the Company's common shares. This may be before September 15, 2016. If so used, the amount will then be deemed to be a payment on the principle of the note.

7. Commitments

As at August 31, 2015, future payments required under non-cancellable operating leases for premises contracted for but not capitalized in the financial statements are $32,451 pursuant to an office lease expiring May 2016.

8. Share capital and reserves

Authorized share capital

An unlimited number of common shares without par value.

Issued share capital

At August 31, 2015 there were 51,100,221 issued and fully paid common shares (February 28, 2015 – 51,100,221).

(Expressed in Canadian dollars - unaudited)

8. Share capital and reserves (cont'd)

Basic and diluted loss per share

The basic and diluted loss per share for the six month period ended August 31, 2015 was $0.00 (2014 - $0.01). The calculation of basic and diluted loss per share for the six month period ended August 31, 2015 was based on the loss attributable to common shareholders of $214,846 (2014 - $293,453) and the weighted average number of common shares outstanding of 51,100,221 (2014 – 51,100,221). The diluted loss per share does not include the effect of stock options as they are anti-dilutive. As of August 31, 2015, the total number of potentially dilutive shares excluded from the calculation of loss per share was 5,035,000 (2014 – 6,625,000).

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 the TSX-V policies, grant to directors, officers, employees and technical 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 9,230,000. Such options may be exercisable for a period of up to five years from the date of grant.

The changes in options during the periods ended August 31, 2015 and February 28, 2015 are as follows:

	August 31, 2015		February 28, 2015	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning of period	5,675,000	$ 0.15	7,305,000	$ 0.18
Options granted	-	-	50,000	0.08
Options expired	(640,000)	0.14	(1,680,000)	0.26
Options outstanding, end of period	5,035,000	$ 0.15	5,675,000	$ 0.15
Options exercisable, end of period	5,035,000	$ 0.15	5,675,000	$ 0.15

Details of options outstanding as at August 31, 2015 are as follows:

Weighted average exercise price	Weighted average contractual life	Number of options outstanding	Number of options exercisable
$0.06 - $0.12	2.88 years	3,350,000	3,350,000
$0.13 - $0.33	0.85 year	1,685,000	1,685,000
	2.20 years	5,035,000	5,035,000

The Company recorded share-based compensation of $Nil (2014 - $4,951) relating to options vested during the period. Subsequent to August 31, 2015, a total of 100,000 stock options expired unexercised with an exercise price of $0.24 per option and 75,000 stock options expired unexercised with an exercise price of $0.07.

(Expressed in Canadian dollars - unaudited)

9. Related party transactions

Related party balances

As at August 31, 2015 an amount of $6,802 (February 28, 2015 - $2,513) were due to related parties is included in trade payables and accrued liabilities. Note 5 and 6 set out material balances and transactions with related parties.

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 as a whole. The Company has determined that its key management personnel consist of the Company's Board of Directors and corporate officers.

	Six month period ended August 31, 2015	2014
Management fees (1)	$ 84,000	$ 84,000
Consulting (2)	24,533	36,204
Director fees	-	6,250
	$ 108,533	$ 126,454

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

(2) Includes accounting fees paid to a company controlled by the CFO of $17,383 (2014: $25,719)

Effective May 1, 2015 the President agreed to fully defer 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.

See also Note 5 and 6,

10. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The principal risk exposure to these financial statements is liquidity risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to necessary levels of equity funding.

11. Subsequent event

a) On October 15, 2015, the Company provided an update to an arrangement first announced in December 2014 with one of South Korea's leading trading corporations ("KTC"). Following extended negotiations, a non-binding term sheet has recently been signed by both parties whereby KTC may earn an initial 5% interest in the Kwanika project by funding C$1.2 million in expenditures of which $0.8 million would be for expenditure on the project and $0.4 million as an operator's fee to Serengeti. KTC would be granted the right to earn an additional 30% interest in Kwanika by funding an additional C$7 million in project expenditures over the subsequent two years for aggregate expenditures of C$8.2 million over three years to earn an aggregate 35% project interest. The transaction remains subject to approval by KTC's investment review committee and board of directors and to the signing of a definitive agreement.

b) On October 23, 2015, the Company announced that it has arranged a non brokered private placement to raise gross proceeds of up to CDN $300,000 (the "Offering"). The private placement will consist of up to 12,000,000 units at a price of $0.025 per unit (the "Units"), with each Unit consisting of one common share and one share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.05 for a period of three years following closing of the Offering. Warrants will be subject to an accelerated expiry such that if the closing price equals or exceeds $0.10 per share for 10 consecutive trading days, then the exercise period of the Warrants shall be reduced to 30 days, with the reduced period commencing seven calendar days following the tenth consecutive trading day.

   Proceeds of the Offering will be used to maintain and preserve the Company's existing operations, activities and assets and for working capital purposes. Up to $90,000 of the proceeds of the current financing may be used to discharge accrued liabilities due to Related Parties.