SERENGETI RESOURCES INC.

Condensed Consolidated Interim Financial Statements

Nine Months Ended November 30, 2014

(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 months ended November 30, 2014.

(Expressed in Canadian dollars - unaudited)

	Notes	November 30, 2014	February 28, 2014
ASSETS			
Current assets			
Cash and cash equivalents	3	$ 263,299	$ 785,887
Receivables	4	9,563	10,969
Prepaid expenses		31,521	27,899
		304,383	824,755
Non-current assets			
Reclamation deposits	5	81,524	81,524
Equipment		7,751	11,909
Exploration and evaluation assets	6	19,255,688	19,110,249
		19,344,963	19,203,682
TOTAL ASSETS		**$ 19,649,346**	**$ 20,028,437**
LIABILITIES			
Current liabilities			
Trade payables and accrued liabilities	7	$ 151,251	$ 129,252
TOTAL LIABILITIES		**151,251**	**129,252**
SHAREHOLDERS' EQUITY			
Share capital	9	38,564,432	38,564,432
Reserves		7,485,416	7,478,017
Deficit		(26,551,753)	(26,143,264)
TOTAL SHAREHOLDERS' EQUITY		**19,498,095**	**19,899,185**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$ 19,649,346**	**$ 20,028,437**

Nature of operations and going concern (Note 1)
Commitments (Note 8)
Subsequent events (Note 12)

(Expressed in Canadian dollars - unaudited)

	Notes	Three month period ended November 30, 2014	Three month period ended November 30, 2013	Nine month period ended November 30, 2014	Nine month period ended November 30, 2013
Expenses					
Consulting		$ 18,067	$ 17,106	$ 54,321	$ 68,636
Conventions and tradeshows		416	1,533	9,029	15,402
Corporate development		10,801	-	22,920	-
Depreciation		1,386	1,678	4,158	6,723
Director fees		6,250	8,250	12,500	28,000
Foreign exchange		(18)	(233)	70	(585)
Investor relations		9,073	5,230	26,407	36,216
Management fees		40,376	33,750	104,774	105,521
Office and miscellaneous		22,458	27,564	81,684	78,421
Professional fees		3,750	15,608	10,608	40,104
Project investigation costs		9,263	46,007	31,101	103,443
Share-based payments	9	-	3,149	4,951	136,094
Transfer agent and filing fees		7,902	4,355	18,502	13,859
Wages and salaries		20,373	22,280	62,525	70,215
		(150,097)	(186,277)	(443,550)	(702,049)
Interest income		940	1,708	3,958	17,939
Expenses recovered		32,213	-	32,213	-
Exploration and evaluation assets written-off		(1,110)	-	(1,110)	(163,927)
Gain on sale of vehicle		-	-	-	7,501
Loss and comprehensive loss for period		**$ (118,054)**	**$ (184,569)**	**$ (408,489)**	**$ (840,536)**
Loss per share – basic and diluted		**$ (0.00)**	**$ (0.00)**	**$ (0.01)**	**$ (0.02)**
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 29, 2013	**51,100,221**	**$ 38,564,432**	**$ 7,267,681**	**$ (24,315,598)**	**$ 21,516,515**
Share-based payments	-	-	136,094	-	136,094
Loss for the period	-	-	-	(840,536)	(840,536)
Balance at November 30, 2013	**51,100,221**	**$ 38,564,432**	**$ 7,403,775**	**$ (25,156,134)**	**$ 20,812,073**
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
Loss for the period	-	-	-	(408,489)	(408,489)
Balance at November 30, 2014	**51,100,221**	**$ 38,564,432**	**$ 7,485,416**	**$ (26,551,753)**	**$ 19,498,095**

(Expressed in Canadian dollars - unaudited)

	Three month period ended November 30, 2014	Three month period ended November 30, 2013	Nine month period ended November 30, 2014	Nine month period ended November 30, 2013
Operating activities				
Loss for the period	$ (118,054)	$ (184,569)	$ (408,489)	$ (840,536)
Adjustments for non-cash items:				
Depreciation	1,386	1,678	4,158	20,895
Share-based payments	-	3,149	4,951	136,094
Exploration and evaluation assets written-off	1,110	-	1,110	230,548
Changes in non-cash working capital items:				
Receivables	3,345	2,950	1,407	56,822
Prepaid expenses	(2,935)	428	(3,622)	(4,997)
Trade payables and accrued liabilities	29,667	17,583	10,238	6,264
Net cash flows used in operating activities	(85,481)	(158,781)	(390,247)	(394,910)
Investing activities				
Expenditures on exploration and evaluation assets	(37,896)	(70,035)	(196,589)	(321,208)
Reclamation deposits	-	8,500	-	8,500
Minearl exploration tax credit refund	64,248	-	64,248	-
Expenses recovered	-	(5,000)	-	1,427
Net cash flows used in investing activities	26,352	(66,535)	(132,341)	(311,281)
Decrease in cash and cash equivalents	(59,129)	(225,316)	(522,588)	(706,191)
Cash and cash equivalents, beginning of period	322,428	1,066,710	785,887	1,547,585
Cash and cash equivalents, ending of period	**$ 263,299**	**$ 841,394**	**$ 263,299**	**$ 841,394**

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 750 West Pender Street, Suite 1700, Vancouver, British Columbia, Canada, V6C 2T8. The Company's registered and records office address is 1185 West Georgia Street, Suite 1750, Vancouver, British Columbia, Canada, V6E 4E6.

Going concern

These 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, 2014, the Company had not achieved profitable operations, had a net loss of $408,489 for the nine month period ended November 30, 2014 and accumulated losses of $26,551,753 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

The consolidated financial statements were authorized for issue on January 27, 2015 by the directors of the Company.

Statement of compliance with and conversion to 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 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 28, 2014.

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, 2014.

(Expressed in Canadian dollars - unaudited)

3. Cash and cash equivalents

The components of cash and cash equivalents are as follows:

		November 30, 2014		February 28, 2014
Cash at bank	$	143,299	$	80,887
Guaranteed investment certificates		120,000		705,000
	$	263,299	$	785,887

4. Receivables

		November 30, 2014		February 28, 2014
HST / GST receivable	$	6,213	$	4,069
Other receivables		3,350		6,900
	$	9,563	$	10,969

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, 2014		February 28, 2014
Balance, beginning of period	$	81,524	$	90,024
Changes		-		(8,500)
Balance, end of period	$	81,524	$	81,524

(Expressed in Canadian dollars)

6. Exploration and evaluation assets

The following is a description of the Company's exploration and evaluation assets and the related spending commitments for the nine month ended November 30, 2014:

	Canada				Mexico	
	Kwanika	Milligan West	Tchentlo / Choo	Other		Nine month period ended November 30, 2014
Property acquisition costs						
Balance, beginning of period	$ 202,130	$ 43,111	$ 71,168	$ 771,884	$ 1	$ 1,017,125
Additions	-	-	-	4,180	-	4,180
Balance, end of period	$ 202,130	$ 43,111	$ 71,168	$ 776,064	$ 1	$ 1,021,305
Exploration and evaluation costs						
Balance, beginning of period	$ 17,355,368	$ 249,200	$ 307,874	$ 488,556	$ -	$ 18,093,124
Costs incurred during period:						
Aircraft	3,576	-	-	12,546	-	16,122
Analysis	-	-	-	7,501	-	7,501
Camp and operations	14,441	945	-	16,501	-	31,887
Consulting	20,083	2,506	-	43,144	-	65,733
Geophysics	9,075	-	-	52,691	-	61,766
Line cutting	-	-	-	7,010	-	7,010
Share-based payment (Note 9)	-	-	-	2,448	-	2,448
Travel and accommodation	2,455	-	-	11,695	-	14,150
	49,630	3,451	-	153,536	-	206,617
Other:						
Exploration tax credits	(26,688)	-	-	(37,560)	-	(64,248)
Write-downs	-	-	-	(1,110)	-	(1,110)
	(26,688)	-	-	(38,670)	-	(65,358)
Balance, end of period	$ 17,378,310	$ 252,651	$ 307,874	$ 603,422	$ -	$ 18,234,383
Total	$ 17,580,440	$ 295,762	$ 379,042	$ 1,379,486	$ 1	$ 19,255,688

(Expressed in Canadian dollars - unaudited)

6. **Exploration and evaluation assets** (cont'd)

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 15 properties (exclusive of Kwanika) and a 65.2% interest in 6 others in joint venture with Fjordland Exploration Inc.

d) Mexico

The Company, through its wholly owned Mexican subsidiary, holds title to three properties located in the states of Chihuahua and Durango, northern Mexico.

The Company has no current exploration plans for the Mexican properties and accordingly fully written down their carrying value. See Note 12 (b).

7. **Trade payables and accrued liabilities**

		November 30, 2014		**February 28, 2014**
Trade payables	$	26,395	$	17,699
Amounts due to related parties (Note 10)		107,570		53,868
Accrued liabilities		17,286		57,685
	$	151,251	$	129,252

(Expressed in Canadian dollars - unaudited)

8. Commitments

As at November 30, 2014, future payments required under non-cancellable operating leases for premises contracted for but not capitalized in the financial statements are as follows:

Payable not later than one year	$	8,968
Payable later than one year and not later than five years		-
Total future minimum lease payments	$	8,968

In November 2014 the Company signed a new office lease space for fifteen months expiring May 2016.

9. Share capital and reserves

Authorized share capital

An unlimited number of common shares without par value.

Issued share capital

At November 30, 2014 there were 51,100,221 issued and fully paid common shares (February 28, 2014 – 51,100,221).

Basic and diluted loss per share

The basic and diluted loss per share for the nine months ended November 30, 2014 was $0.01 (2013 - $0.02). The calculation of basic and diluted loss per share for the nine months ended November 30, 2014 was based on the loss attributable to common shareholders of $408,489 (2013 - $840,536) and the weighted average number of common shares outstanding of 51,100,221 (2013 – 51,100,221). The diluted loss per share does not include the effect of stock options as they are anti-dilutive. As of November 30, 2014, the total number of potentially dilutive shares excluded from the calculation of loss per share was 6,500,000 (2013 – 6,295,000).

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 will be exercisable for a period of up to five years from the date of grant.

The changes in options during the periods ended November 30, 2014 and February 28, 2014 are as follows:

(Expressed in Canadian dollars - unaudited)

9. Share capital and reserves (cont'd)

Stock options (cont'd)

	November 30, 2014		**February 28, 2014**	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Options outstanding, beginning of period	7,305,000	$ 0.18	5,725,000	$ 0.33
Options granted	50,000	0.08	4,150,000	0.10
Options expired	(855,000)	0.24	(1,270,000)	0.54
Options forfeited	-	-	(1,300,000)	0.25
Options outstanding, end of period	6,500,000	$ 0.17	7,305,000	$ 0.18
Options exercisable, end of period	6,500,000	$ 0.17	7,180,000	$ 0.18

Details of options outstanding as at November 30, 2014 are as follows:

Weighted average exercise price	**Weighted average contractual life**	**Number of options outstanding**	**Number of options exercisable**
$0.06 - $0.12	3.15 years	3,850,000	3,850,000
$0.13 - $0.33	1.19 years	2,650,000	2,650,000
	2.64 years	6,500,000	6,500,000

During the nine months ended November 30, 2014, the Company granted 50,000 (2013 – 2,825,000) stock options with a weighted average fair value of $0.05 (2013 - $0.12) per option. The Company recorded share-based compensation of $7,399 (2013 - $136,094) 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, 2014	November 30, 2013
Expected life of options	5 years	4 years
Annualized volatility	147%	88%
Risk-free interest rate	1.29%	1.25%
Dividend rate	0%	0%

(Expressed in Canadian dollars - unaudited)

10. Related party transactions

Related party balances

The following amounts due to related parties are included in trade payables and accrued liabilities. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

		November 30, 2014		February 28, 2014
Directors and officers of the Company	$	107,570	$	53,868

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 key management personnel consist of the Company's Board of Directors and corporate officers.

	Nine month period ended November 30,			
		2014		2013
Management fees (1)	$	126,000	$	126,000
Consulting (2)		51,632		63,522
Director fees		12,500		28,000
Share-based payments		-		110,683
	$	190,132	$	328,205

(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 $34,899 (2013: $38,692)

The Company has entered into a one year renewable employment agreement with the president of the Company expiring December 31, 2014 for the provision of services at a cost of $14,000 per month effective May 15, 2014. In September 2013, the president has agreed to defer 20% of this compensation to accrued liability. In September 2014, the president has agreed to defer a further 50%of this compensation to accrued liability. If the agreement is terminated without cause, the Company will be required to provide severance equal to two month's salary for every year of service starting July 1, 2004 onwards. In the event of a change in control of the Company, the president will have the right to cancel the agreement and receive a termination payment equal to twenty-four months' salary.

(Expressed in Canadian dollars - unaudited)

11. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition and exploration of mineral properties.

Geographic segments

The Company's non-current assets are located in the following countries:

	As at November 30, 2014		
	Canada	**Mexico**	**Total**
Reclamation deposits	$ 81,524	$ -	$ 81,524
Equipment	7,751	-	7,751
Exploration and evaluation assets	19,255,687	1	19,255,688
	$ 19,344,962	$ 1	$ 19,344,963

	As at February 28, 2014		
	Canada	**Mexico**	**Total**
Reclamation deposits	$ 81,524	$ -	$ 81,524
Equipment	11,909	-	11,909
Exploration and evaluation assets	19,110,248	1	19,110,249
	$ 19,203,681	$ 1	$ 19,203,682

12. Subsequent events

a) On December 1, 2014, the Company announced it had agreed to the principal business terms of an arrangement with one of Asia's largest trading companies ("Trading Co"), whereby the Trading Co would acquire 19% of Serengeti through the investment of C$1.2 million by way of a private placement at a price of $0.10 per share. In consideration for making this investment, the Trading Co would be granted the right to earn a 30% interest in Serengeti's Kwanika area resource-stage copper-gold property and related properties (the "Kwanika Properties"), located in British Columbia, by funding C$7 million in expenditures on the Kwanika Properties over a period of two years. In addition, Serengeti and the Trading Co also agreed to the principal business terms of a joint venture, whereby the Trading Co could acquire up to a 55% interest in four of Serengeti's early stage exploration properties by funding a further C$12 million in expenditures over four years, of which $2 million is a firm commitment in 2015 to earn an initial 35% interest. The transaction is subject to completion of legal and financial due diligence by the Trading Co as well as the consent of the parties respective boards of directors, the consent of the TSX Venture Exchange and the signing of a definitive agreement. Closing of the transaction is expected in late Q4 2015 or early Q1, 2016.

b) At December 31, 2014, the Company had fully withdrawn from exploration activity in Mexico with the sale of the sole remaining mineral property Cuates to Grupo Northair de Mexico and transfer of the local operating company interest Minera F.B. Integral.