SIENNA RESOURCES INC.

Management's Discussion and Analysis

For the year ended December 31, 2015

Date of Report: April 26, 2016

The following discussion and analysis of our financial condition and results of operations for the year ended December 31, 2015 should be read in conjunction with our financial statements and related notes. The requisite financial data presented for the relevant periods has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Disclaimer for Forward-Looking Information

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about our current mineral property interests, the global economic environment, the market price and demand for commodities and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price of minerals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics in North America regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. Except as required by law, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in the section entitled "Risk Factors" below.

Nature of Business

We are involved in the identification, acquisition and exploration of mineral properties that management deems as potentially viable to assist in the growth of the company. These properties include gold, silver, and aluminous clay properties. At December 31, 2015, all of our mineral property interests were located in Canada.

Mineral Properties

Grande-Vallée North aluminous Clay Prospect (Quebec, Canada)

In October 2011 we acquired 5,574 contiguous acres of aluminous clay through staking. This prospect is located 32 km northeast of Murdochville, Quebec and is strategically located near several deepwater ports and across the St. Lawrence River from the province's major aluminium smelters. The Grande-Vallée prospect is 100% owned by our company and was acquired through Gestim.

In November, 2011 we acquired an additional 11,000 acres through Gestim. We held a 100% interest in this acreage.

In January 2012 we staked another 7,200 acres, again through Gestim to increase our land holdings to approximately 18,285 contiguous acres. We own a 100% of this property. We hired APEX Geoscience Ltd. of Edmonton, Alberta to conduct the work and oversee and compile the data collected to date on this prospect.

In May 2013, we acquired an additional 32 claims for $2,257 over approximately 1,805 hectares that have been incorporated into the Grand-Vallée North prospect.

During the year ended December 31, 2013 and 2014, we decided not to renew certain claims. Prior acquisition costs of $2,209 associated with these lapsed claims were written off as of December 31, 2013.

During the year ended December 31, 2015, we decided not to renew certain claims. Prior acquisition costs of $9,863 and exploration costs of $138,333 associated with these lapsed claims were written off.

As at December 31, 2015, we had spent a total of $240,501 in exploration expenditures on the remaining claims of this property. We intend to focus on the exploration and, if warranted, development of this property in the future. At this time additional funds need to be raised to take this project to the next stage. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all.

Lezai Prospect (Quebec, Canada)

In October 2010, we acquired approximately 5,400 contiguous acres. This property is close to the Tortigny prospect in central Quebec approximately 100km north west of Chibougamau. We held a 100% interest in these claims.

In December 2010, we acquired an additional 20,006 acres contiguous to the existing claim. We held a 100% interest in these claims.

In March 2011, we entered into an option agreement with an arm's length vendor (the "Lezai Vendor") to acquire one hundred and sixty contiguous mineral claims (the "Arshad Claims") located northwest of Chibougamou, Quebec. This property was contiguous to both sets of claims above. The Lezai Vendor owned a 100% interest in this property. We hired APEX Geoscience Ltd. of Edmonton, Alberta to conduct the work and oversee and compile the data collected to date on this prospect.

In May 2012, we amended the agreement. The Lezai Vendor agreed to amend the option agreement regarding the work commitments due to be spent on the prospect. We were required to pay $15,000 in cash (paid), incur exploration costs of $350,000 ($34,000 incurred) and issue 600,000 common shares (issued at a value of $450,000) in set payments on or before June 21, 2015. In addition, we paid a finders' fee in connection with the transaction of 48,333 common shares (issued at a value of $31,000).

In April 2011, we entered into an option agreement with an arm's length vendor (the "Quebec Vendor") to acquire one hundred and fifty three mineral claims located (the "Brown Claims") in the Province of Quebec. The Quebec Vendor owned a 100% interest in this property. This property is contiguous to the Lezai Gold Prospect that we already held.

In August 2012, we amended this option agreement. The Quebec Vendor agreed to amend the option agreement regarding the work commitments due to be spent on the prospect. In August 2014, we further amended the option agreement. The Quebec Vendor agreed to defer the remaining work commitments by one year. In August 2015, we further amended the option agreement. The Quebec Vendor agreed to further defer the remaining work commitments. We are now required to incur exploration costs as follows:

	Cash	Exploration Costs	Common Shares
On August 23, 2011 (paid)	$ 15,000	$ -	-
On May 2, 2011 (issued at a value of $330,000)	-	-	300,000
On or before August 23, 2012 (incurred)	-	41,000	-
On or before November 23, 2012 (issued at a value of $180,000)	-	-	300,000
On or before October 7, 2016	-	59,000	-
On or before October 7, 2017	-	250,000	-
	$ 15,000	$ 350,000	600,000

During the year ended December 31, 2012, we decided not to renew certain Lezai Gold claims and allowed them to lapse when they came due. Prior acquisition costs of $919,979 associated with these claims were written off**.**

During the year ended December 31, 2014, we decided not to continue with all the Arshad Claims and seven of the Brown Claims and 17 of the staking claims. Prior acquisition costs of $91,871 and exploration costs of $104,611 associated with these claims were written off.

Based on the results of the 2011 and 2012 exploration, further exploration may be warranted within the Lezai Multi-Element Prospect. Future exploration should be designed to further delineate Cu-Au (+/- Zn) geochemical anomalies associated with northeast trending mafic-felsic volcanic and intrusive rocks. Future exploration should include but not be limited to additional geologic mapping and prospecting, an expanded humus soil geochemical sampling program, and Induced Polarization Resistivity (IP/Res) and magnetic geophysical surveys. Additional funds need to be raised to complete this next planned phase of operations. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all.

As at December 31, 2015, we had spent a total of $26,153 in exploration expenditures on the Lezai Gold Property. At this time additional funds need to be raised to take this project to the next stage. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all.

White Gold Claims (Yukon, Canada)

During the year ended December 31, 2009, our company registered three hundred and forty five quartz claims with the Yukon Government which covered approximately 18,200 acres. This property consisted of two blocks of gold claims in the region of the White and Yukon Rivers for staking costs incurred of $106,896. We held a 100% interest in the White Gold Claims. This prospect stretches westward in a broad arc from British Columbia, Canada, through southeastern and central to southwestern Alaska, United States.

We decided not to renew one hundred of the claims that were not in primary area of investigation and allowed them to lapse in September 2011. Prior acquisition costs of $30,542 were written off during the year ended December 31, 2011.

During the year ended December 31, 2013, we decided not to renew 208 claims and allowed them to lapse as they became due. Prior acquisition costs of $64,823 and exploration costs of $54,706 associated with these claims were written off.

During the year ended December 31, 2015, we decided not to renew certain claims and allowed them to lapse as they became due. Prior acquisition costs of $10,908 and exploration costs of $59,613 associated with these claims were written off. We continue to hold a 100% interest in the remaining White Gold claims.

As at December 31, 2015, we had spent a total of $3,617 in exploration expenditures on the remaining claims of this property. At this time additional funds need to be raised to take this project to the next stage. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all.

Esmeralda Lithium Project (Nevada, U.S.A.)

Subsequent to December 31, 2015, our company acquired a 100% interest in the “Esmeralda Project” which is prospective for lithium located in the Clayton Valley, Nevada, for staking costs of $7,790. We are planning to commence operations shortly.

Haldane Silver Prospect (Keno Hill, Yukon, Canada)

During the year ended December 31, 2014, we decided to drop the entire Haldane Silver Prospect, including the Equity Claims, the Ross Claims and the Staked Claims. Prior capitalized costs of $1,288,491associated with these claims were written off.

Other Properties and Investments

In addition to our mineral property interests, we have several legacy interests in the non-mining sector that our company has determined are not material.

Andora Energy Corporation

Our company’s investments consist primarily of investments in 700,000 common shares of Andora Energy Corporation, a private company in the oil and gas industry in Alberta, Canada. These shares were acquired for consideration of $413,000 and account for 0.7% of Andora’s outstanding common shares as of December 31, 2015 and 2014. The Company’s available-for-sale investments are measured at cost since the fair value of the unlisted Andora common shares cannot be reliably measured.

Patch Oilsands Limited Partnership

In 2006, we acquired an interest in a limited partnership which earned us an interest in various oil sands properties in Alberta. During the year ended December 31, 2007, our company wrote down our investment in the limited partnership to a nominal value of $1.

	December 31, 2015	December 31, 2014
Patch Oilsands Limited Partnership	$ 1	$ 1
Andora Energy Corporation, at cost	413,000	413,000
Total available-for-sale investments	$ 413,001	$ 413,001

Write-Down of Exploration and Evaluation Assets

During the year ended December 31, 2015, we recorded a write-down of exploration and evaluation assets of $218,717.

Overall Performance

We are a mineral exploration issuer engaged in the business of acquisition, exploration and, if warranted, development of mineral properties. As such, we have not had any revenues in the years ended December 31, 2015 and 2014. We do not expect to generate any revenues from mineral production on our properties in the foreseeable future. We expect our company to continue to incur expenses as we work to further explore and develop our mineral properties.

Our company has conducted limited exploration on our mineral properties to date, due to, among other things, the uncertainties associated with the prices of precious and base metals and other minerals, restrictions on accessing the mineral properties due to climate issues, the availability of equity financing for the purposes of mineral exploration and development and the global economic climate. Our company is in the process of exploring our mineral properties and has not yet determined whether the mineral properties contain reserves that are economically recoverable. Our company's future performance is largely tied to the outcome of future exploration and the overall financial markets.

The recoverability of minerals from our company's mineral properties is dependent upon, among other things, the discovery of economically recoverable reserves, the ability of our company to obtain necessary financing to continue to explore and develop our properties, and upon future profitable production. Uncertainty in credit markets has led to increased difficulties in raising and borrowing funds. As a result, our company may have difficulties raising equity financing for the purposes of exploration and development of our company's mineral properties, without diluting the interests of current shareholders of our company.

As at December 31, 2014, our company had a working capital deficiency of $1,439,735 and cash of $20,028 as compared to a working capital deficiency of $1,478,514 and cash of $2,454 as at December 31, 2015. As at December 31, 2015, we had an accumulated deficit of $19,667,238 since inception. We expect our company to incur further losses in the development of our business, all of which casts substantial doubt on our company's ability to continue as a going concern.

Net comprehensive loss decreased from $2,027,214 for the year ended December 31, 2014 to $380,637 for the year ended December 31, 2015. The decrease in net comprehensive loss from fiscal 2014 to fiscal 2015 was mainly the result of a decrease in the write-down of evaluation and exploration assets of $1,266,256 and to a decrease in operating expenses of $332,068. Our company had cash of $2,454 and a working capital deficiency of $1,478,514 as at December 31, 2015, and has ongoing commitments under a lease agreement and a lease extension agreement for office premises for a period ending July 31, 2017, and is required to make the following payments: $40,424 by December 31, 2016 and $23,651 by July 31, 2017. As a result, management believes that our company's available funds will not be sufficient to meet our working capital requirements for the next twelve month period. Management anticipates that additional funds will need to be raised, through equity financings, shareholder loans, or otherwise, to fund our company's planned work programs on our mineral properties and ongoing operations. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all. Our company may have difficulty raising additional funds as necessary due to a number of uncertainties and risk factors, including uncertainty in credit markets, fluctuation in commodity prices and general economic downturns. See "Liquidity and Capital Resources" and "Risk Factors" for a discussion of risk factors that may impact our company's ability to raise funds.

Information about our company's commitments relating to our mineral properties is discussed above under "Nature of Business – Mineral Properties".

Additional information about the risks and uncertainties relating to our company's business and financial performance is discussed below under "Risks Factors".

Summary of Quarterly Results

The following table provides selected quarterly financial data for the eight most recently completed interim quarters:

	2015 Fourth	**2015 Third**	**2015 Second**	**2015 First**	**2014 Fourth**	**2014 Third**	**2014 Second**	**2014 First**
Total revenues	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Income (loss) before discontinued operations and extraordinary items:								
Total	$(24,724)	$(152,969)	$(162,664)	$(40,280)	($167,811)	$(118,738)	$(1,513,428)	$(227,237)
Per share	$(0.00)	$(0.01)	$(0.01)	$(0.00)	($0.01)	$(0.01)	$(0.07)	$(0.02)
Per share fully diluted	$(0.00)	$(0.01)	$(0.01)	$(0.00)	($0.01)	$(0.01)	$(0.07)	$(0.02)
Net comprehensive income (loss):								
Total	$(24,724)	$(152,969)	$(162,664)	$(40,280)	($167,811)	$(118,738)	$(1,513,428)	$(227,237)
Per share	$(0.00)	$(0.01)	$(0.01)	$(0.00)	($0.01)	$(0.01)	$(0.07)	$(0.02)
Per share fully diluted	$(0.00)	$(0.01)	$(0.01)	$(0.00)	($0.01)	$(0.01)	$(0.07)	$(0.02)

Summary of Results During Prior Eight Quarters

Net comprehensive loss increased significantly from the first quarter of 2014 to the second quarter of 2014 by $1,286,191 mainly due to an increase in write-down of exploration and evaluation assets. Net comprehensive loss decreased by $1,394,690 mainly due to a decrease in write-down of exploration and evaluation assets. Net comprehensive loss increased from the third quarter of 2014 to the fourth quarter of 2014 by $49,073 mainly due an increase in the write-down of exploration and evaluation assets offset by a decrease in management fees. Net comprehensive loss decreased from the fourth quarter of 2014 to the first quarter of 2015 by $127,531 mainly due to a decrease in the write-down of exploration and evaluation assets, directors' fees, and management fees. Net comprehensive loss increased from the first quarter of 2015 to the second quarter of 2015 by $122,384 mainly due to an increase in the write-down of exploration and evaluation assets. Net comprehensive loss slighted decreased by $9,695 from the second quarter of 2015 to the third quarter of 2015 mainly due to a decrease in consulting fees. Net comprehensive loss decreased by $128,245 from the third quarter of 2015 to the fourth quarter of 2015 manly due to a decrease in the write-down of exploration and evaluation assets.

Selected Annual Information

The following table sets out selected financial information for our company, which have been prepared in accordance with IFRS:

	Year ended December 31,		
	2015	**2014**	**2013**
Total revenues	$Nil	$Nil	$Nil
Loss before discontinued operations and extraordinary items:			
Total	$(380,637)	$(2,027,214)	$(352,434)
Per share	$(0.01)	$(0.10)	$(0.03)
Per share fully diluted	$(0.01)	$(0.10)	$(0.03)
Net comprehensive loss:			
Total	$(380,637)	$(2,027,214)	$(352,434)
Per share	$(0.01)	$(0.10)	$(0.03)
Per share fully diluted	$(0.01)	$(0.10)	$(0.03)

	As at December 31,		
	2015	**2014**	**2013**
Total assets	$775,166	$993,162	$2,675,860
Total long term debt	Nil	Nil	Nil
Cash dividends	Nil	Nil	Nil

Year ended December 31, 2015 Compared to the Year ended December 31, 2014

Our company did not generate any revenue for the year ended December 31, 2015 and for the year ended December 31, 2014. Net comprehensive loss for the year ended December 31, 2015 decreased to $380,637 from $2,027,214 for the year ended December 31, 2014, mainly due to a decrease in the write-down of exploration and evaluation assets (fiscal 2015: $218,717; fiscal 2014: $1,484,973); and loss on non-producing oil & gas properties (fiscal 2015: Nil; fiscal 2014 $35,000). There was a decrease in operating expenses which was due primarily to a decrease in management fees (fiscal 2015: $52,500; fiscal 2014: $335,000). These expenses represent the costs of administering a public company.

Total assets decreased by $217,996 to $775,166 as at December 31, 2015 from $993,162 as at December 31, 2014, mainly due to a decrease of $217,181 in exploration and evaluation assets.

Our company's current assets were relatively stable, being $54,159 as at December 31, 2015 and $53,822 as at December 31, 2014, respectively. Our company's current liabilities increased by $39,116 from $1,493,557 as at December 31, 2014 compared to $1,532,673 as at December 31, 2015. Current liabilities as at December 31, 2015 consisted of $1,525,858 (December 31, 2014: $1,487,992) of accounts payable and accrued liabilities, $815 (December 31, 2014: $565) of interest payable, and $6,000 (December 31, 2014: $5,000) of loans payable. The value ascribed to our company's exploration and evaluation assets decreased to $298,843 as at December 31, 2015 from $516,024 as at December 31, 2014, due to the write-down of the Grande-Vallée prospect and the White Gold Claims.

Year ended December 31, 2014 Compared to the Year ended December 31, 2013

Our company did not generate any revenue for the year ended December 31, 2014 and for the year ended December 31, 2013. Net comprehensive loss for the year ended December 31, 2014 increased to $2,027,214 from $352,434 for the year ended December 31, 2013, mainly due to an increase in the write-down of exploration and evaluation assets (fiscal 2014: $1,484,973; fiscal 2013: $127,277); and a loss on non-producing oil & gas properties as opposed to a gain (fiscal 2014 $(35,000); fiscal 2013 $216,261). There was a decrease in operating expenses which was due primarily to a decrease in management fees (fiscal 2014: $335,000; fiscal 2013: $360,000). These expenses represent the costs of administering a public company.

Total assets decreased by $1,682,698 to $993,162 as at December 31, 2014 from $2,675,860 as at December 31, 2013, mainly due to a decrease of $1,499,526 in exploration and evaluation assets and to a decrease of $191,771 in receivables.

Our company's current assets have decreased by $181,528, from $235,350 at as December 31, 2013 to $53,822 as at December 31, 2014. Our company's current liabilities decreased slightly from $1,496,441 as at December 31, 2013 compared to $1,493,557 as at December 31, 2014. Current liabilities as at December 31, 2014 consisted of $1,487,992 (December 31, 2013: $1,353,609) of accounts payable and accrued liabilities, $565 (December 31, 2013: $12,832) of interest payable, and $5,000 (December 31, 2013: $130,000) of loans payable. The value ascribed to our company's exploration and evaluation assets decreased to $516,024 as at December 31, 2014 from $2,015,550 as at December 31, 2013, due to the write-off of the Haldane Prospect and the write-down of some of the Lezai Claims.

See "Nature of Business – Mineral Properties" for a discussion of our mineral properties on a property by property basis, including our plans for our mineral properties, the status of our plans, expenditures made and the anticipated timing and costs to take our mineral properties to the next stage of the project plan.

See "Overall Performance" for a discussion of the commitments, events, risks and uncertainties that we believe will materially affect our company's future performance and "Risk Factors" for a discussion of risk factors affecting our company.

Discussion of Operations

Our company did not generate any revenue for the year ended December 31, 2015 or 2014. Net comprehensive loss for the year ended December 31, 2015 decreased to $380,637 from $2,027,214 for the year ended December 31, 2014, mainly due to a decrease in operating expenses and a decrease in the write-down of exploration and evaluation assets.

Total operating expenses were $184,538 for the year ended December 31, 2015 compared to $516,606 for the year ended December 31, 2014. The decrease of $332,068 from fiscal 2014 to fiscal 2015 was mainly due to a decrease in management fees of $282,500.

Liquidity and Capital Resources

Liquidity

As at December 31, 2015, our company had a working capital deficiency of $1,478,514 and cash of $2,454 as compared to a working capital deficiency of $1,439,735 and cash of $20,028 as at December 31, 2014. Total current assets were slightly increased by $337 from $53,822 as at December 31, 2014 to $54,159 as at December 31, 2015. Current liabilities as at December 31, 2015 consisted of $1,525,858 (December 31, 2014: $1,487,992) of accounts payable and accrued liabilities, $815 (December 31, 2014: $565) of interest payable, and $6,000 (December 31, 2014: $5,000) of loans payable.

In September 2012, our company arranged a loan from an arm's length party for a total principal amount of $5,000 bearing interest at 5% per annum and due on demand. In November 2015, our company received a loan of $1,000 from a director of our company, bearing no interest and due on demand. As at December 31, 2015, $6,000 (December 31, 2014: $5,000) of principal and $815 (December 31, 2014: $565) of interest was outstanding relating to this loan.

Subsequent to December 31, 2015, our company received loan advances totalling $17,500 from a director of our company, bearing no interest and due on demand. In addition, our company received gross proceeds of $130,000 for 2,600,000 share purchase warrants exercised at $0.05 per share.

Our company anticipates we will need substantial additional funds to fund the next twelve month period. Management believes that our company's cash and cash equivalents will not be sufficient to meet our working capital requirements for the next twelve month period. As a mineral exploration company, our expenses are expected to increase as we explore our mineral properties further; however, management does not expect our company to generate revenues from mineral production in the foreseeable future.

Our company's ability to conduct the planned work programs on our mineral properties, meet our ongoing levels of corporate overhead and discharge our liabilities as they become due is dependent, in large part, on the ability of our management to raise additional funds as necessary. Management anticipates that additional equity financings will need to be conducted to raise additional funds which, if successful, will result in dilution in the equity interests of our company's current shareholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments. Although we have secured financings in the past, there is no assurance that we will be able to do so in the future on terms that are favourable to our company or at all. Our company's ability to raise additional funds in the future and its liquidity may be negatively impacted by a number of factors, including changes in commodity prices, market volatility and general economic downturns.

There is substantial doubt about our ability to continue as a going concern as the continuation of our business is dependent upon obtaining further long-term financing, successful exploration of our mineral property interests, the identification of reserves sufficient to warrant development, successful development of our property interests and achieving a profitable level of operations. Due to the uncertainty of our ability to meet our current operating and capital expenses, in their notes to our audited financial statements for the year ended December 31, 2014, our independent auditors included an explanatory paragraph regarding their substantial doubt about our ability to continue as a going concern.

Capital Resources

We have the following commitments for capital expenditures with respect to our mineral properties As of December 31, 2015. The expenditures are optional and we may decide not to incur such payments in the event we do not decide to pursue further exploration with respect to such properties.

- *Lezai Gold Prospect*:

    - April 2011 option agreement and amendments in August 2012 and August 2014: As at December 31, 2015, our company is required to: incur $59,000 in exploration expenditures on or before October 7, 2016; and incur $250,000 in exploration expenditures on or before October 7, 2017.

    - 11 Lezai Gold claims will expire on October 5, 2016. In order to renew these 11 claims for another two years, we are required to incur a minimum of $13,200 in exploration on these claims by August 4, 2016 or pay it in annual rental income to the Minister of Finance by October 5, 2016. Fees associated with these claims are $597 if pay by August 4, 2016 or it will be doubled to $1,194 if pay between August 5, 2016 and October 5, 2016.

- *Grande-Vallée North aluminous Clay Prospect*:

    - 12 Grande-Vallée claims will expire on July 28, 2017. In order to renew these 12 claims for another two years, we are required to incur a minimum of $14,400 in exploration on these claims by May 27, 2017 or pay it in annual rental income to the Minister of Finance by July 28, 2017. Fees associated with these claims are $651 if pay by May 27, 2017 or it will be doubled to $1,302 if pay between May 28, 2017 and July 28, 2017.

- *White Gold Claims:*

    - Two White Gold claims are in good standing until October 3, 2016. In order to renew these two claims for another year, we are required to pay the annual rent of $200 to the Government of Yukon by October 3, 2016 for the White Gold claims, unless we spend an amount greater than that in exploration beforehand. In addition, we are also required to pay the claim recording fees of $10 to the Government of Yukon by October 3, 2016.

In addition to the above capital expenditure requirements, we are required to pay office rent on a monthly basis. During the year ended December 31, 2014, we entered into a lease extension agreement (the “Lease Agreement”) to extend the existing lease for office premises for a three-year period beginning August 1, 2014 and ending July 31, 2017. As of December 31, 2015, we are required to pay office rent (net of taxes) as follows: $40,424 by December 31, 2016 and $23,651 by July 31, 2017. However, we share office space with related public companies. We invoice these public companies for their share of the office rent on a monthly basis.

If we elect to meet these capital expenditure requirements, it is expected that in addition to using funds currently available to our company, additional funds will need to be raised through equity financings, shareholder loans or otherwise. Although our company has been successful in raising funds in the past, there is no guarantee that we will be able to raise additional funds in the future. Our company's ability to raise additional funds is subject to a number of uncertainties and risk factors. See "Liquidity and Capital Resources – Liquidity" and "Risk Factors".

See "Nature of Business – Mineral Properties" for a discussion of our company's capital expenditure commitments with respect to our mineral properties.

Operating Activities

During the year ended December 31, 2015, operating activities used cash of $140,563 compared to using cash of $194,212 during the year ended December 31, 2014. Cash used during the year ended December 31, 2015 was mainly attributable to our loss for the year of $380,637, offset mainly by the write-down of exploration and evaluation assets of $218,717. Cash used during the year ended December 31, 2014 was mainly attributable to our loss for the period of $2,027,214, offset mainly by the write-down of exploration and evaluation assets of $1,484,973, a decrease in receivables of $198,813 and an increase in accounts payable and accrued liabilities of $156,837. Management anticipates that operating activities will continue to require large amounts of cash until our company achieves profitable operations.

Investing Activities

During the year ended December 31, 2015, investing activities used cash of $1,536 compared to $4,335 during the year ended December 31, 2014. Cash used in investing activities during the year ended December 31, 2015 and 2014, was mainly due to funds used in the exploration and evaluation of assets.

Financing Activities

During the year ended December 31, 2015, financing activities provided cash of $124,525 compared to providing cash of $208,890 during the year ended December 31, 2014. During the year ended December 31, 2015, cash provided by financing activities was due to proceeds from loans of $1,000 and proceeds from the issuance of share capital of $125,000 offset by share issuance costs of $1,475. During the year ended December 31, 2014, cash provided by financing activities was due to proceeds of loans of $6,000 and by proceeds from the issuance of share capital of $350,000 offset by loan repayments of $131,000, interest paid of $13,510 and share issuance costs of $2,600.

Changes in Accounting Policies

Accounting standards issued but not yet effective

We have reviewed new and revised accounting pronouncements that have been issued but are not yet effective. We have not early adopted any new standards and are currently evaluating the impact, if any, that the following new standard might have on our financial statements.

IFRS 9 – Financial Instruments ("IFRS 9")

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018.

Off Balance Sheet Arrangements

As at December 31, 2015 and as of the date of this report, our company does not have any off balance sheet arrangements.

Related Party Transactions

As at December 31, 2015, our company had accrued management fees of $22,500 payable to All Seasons Consulting Inc., a private company controlled by Negar Adam, a former director of our company, and $30,000 to Jason Gigliotti the President and a director of our company. During the year ended December 31, 2015, our company paid $500 to Cindy Cai, our CFO, in professional fees. During the year ended December 31, 2015, our company accrued $2,500 each to Greg Thomson, Negar Adam and Jason Gigliotti in consideration for their services as directors of our company.

There are no management agreements in place and our company has no contractual requirement to continue paying management fees. Management, directors' fees and professional fees are intended to compensate such persons for their time and dedication to our company.

During the year ended December 31, 2015, our company entered into an agreement (the "Agreement") with Makena Resources Inc., a public company with one director and an officer in common. Pursuant to the Agreement, our company was forgiven a debt of $17,949 in accounting, administrative and office expenses. As at December 31, 2015, accounts payable and accrued liabilities include $1,461,222 to related parties (December 31, 2014: $1,348,800). The amounts payable to related parties include: $21,857 payable to each of Negar Adam and Jason Gigliotti for unpaid 2013 to 2015 directors' fees net of their respective CPP contribution for directors' fees; $2,500 payable to Greg Thomson for unpaid 2015 director's fees; $376,700 payable to MGK Consulting Ltd., a private company controlled by Jason Gigliotti, for unpaid management fees for services rendered from May 2011 (partial) to March 2014; $965,940 to Jason Gigliotti, for unpaid management fees of $118,000 for services rendered from April 2014 to December 2015 and for debts of $847,940 assigned by All Seasons Consulting Inc., Graeme Sewell (a former director), Skyridge Consulting Inc., a private company controlled by a former director, and an arm's length party; $4,122 payable to All Seasons Consulting Inc. for unpaid office expenses from April to September 2015; $33,090 payable to Makena Resources Inc., for reimbursement of accounting, administrative and office expenses; $973 payable to Turbo Capital Inc., a public company with a director and an officer in common for reimbursement of administrative fess net of office expenses due to our company; $25,160 payable to Jason Gigliotti for unpaid office expenses from January to December 2015.; and $9,023 payable to MGK Consulting Inc. for unpaid office expenses from June to December 2014.

During the year ended December 31, 2015, our company received a loan $1,000 from a director of our company. As at December 31, 2015, $1,000 of principal is outstanding.

During the year ended December 31, 2015, our company reimbursed Makena Resources Inc. in the amount of $13,988 for the service provided by the CFO.

During the year ended December 31, 2015, office and miscellaneous expenses included $10,000 which was for reimbursement of accounting overhead to a Makena Resources.

These transactions were in the normal course of operations and were measured at the exchange amount, a reasonable amount agreed upon by the related parties.

Fourth Quarter - Unaudited

We did not have any revenue during the three months ended December 31, 2015 and 2014. Total operating expenses were $47,529 for the three months ended December 31, 2015, as compared to $130,180 for the comparative period ended December 31, 2014. The decrease resulted primarily from a decrease in management fees from $65,000 for the three months ended December 31, 2014 to $7,500 for the three months ended December 31, 2015, and a decrease in directors' fees from $29,167 for the three months ended December 31, 2014 to $5,000 for the three months ended December 31, 2015.

We had net comprehensive loss of $24,724 for the three months ended December 31, 2015 as comparing to $167,811 for the comparative period ended December 31, 2014, mainly resulting from a decrease in operating expenses (three months ended December 31, 2015: $47,529; three months ended December 31, 2014: $130,180) and a decrease in the write-down of exploration and evaluation assets (three months ended December 31, 2015: Nil; three months ended December 31, 2014: $48,176).

Financial and Other Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of our company's receivables, accounts payable and accrued liabilities, interest payable, and loans payable approximates their carrying values due to the short term nature of the financial instruments. Our company's cash is measured at fair value using Level 1 inputs.

Our company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. As at December 31, 2015, our company has a minimal exposure to the US$ that is subject to fluctuations as a result of exchange rate variations to the extent that transactions are made in this currency. Our company considers this risk to be insignificant and therefore does not hedge its foreign exchange risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Our company's cash and receivables are exposed to credit risk. Our company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at December 31, 2015, our company is not exposed to any significant credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Included in the loss for the year in the financial statements is interest expense on loans payable and interest income on Canadian dollar cash. Our company has debt instruments at fixed rates and is therefore not exposed to risk in the event of interest rate fluctuations. As at December 31, 2015, our company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that our company will encounter difficulty in meeting obligations associated with financial liabilities. Our company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. Our company addresses its liquidity through equity financing obtained through the sale of common shares and the exercise of warrants and options. While our company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Price Risk

Our company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Our company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by our company.

Based on management's knowledge and experience of the financial markets, management does not believe that our company's current financial instruments will be affected by foreign exchange risk, credit risk, interest rate risk and price risk.

Proposed Transactions

Our company has no proposed transactions as of December 31, 3015 and the date of this report.

Additional Disclosure for Venture Issuers

During the year ended December 31, 2015 and 2014, our company incurred the following expenses:

	2015	**2014**
Capitalized exploration costs	$1,536	$3,895
Write down of exploration and evaluation assets	$218,717	$1,484,973
Operating expenses	$184,538	$516,606
Quebec mining exploration tax credits	$Nil	$7,042

Please refer to Note 7 *Exploration and Evaluation Assets* in the financial statements for the year ended December 31, 2015 for a description of the capitalized acquisition and exploration costs presented on a property-by-property basis.

Additional Disclosure of Outstanding Share Data

Common Shares

Our common shares are listed on the TSX Venture Exchange under the symbol "SIE". Our authorized share capital consists of unlimited common shares without par value, 100,000,000 Class A preferred shares, par value $10 and 100,000,000 Class B preferred shares, par value $50.

As at December 31, we had 27,881,382 common shares issued and outstanding. Subsequently, we issued 2,600,000 common shares for share purchase warrants exercised at $0.05 per share. As at April 26, 2016, we had 30,481,382 common shares issued and outstanding.

Share Purchase Warrants

As at December 31, 2015, we had 16,386,667 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
300,000	$1.50	June 7, 2016
2,836,667	$1.00	April 26, 2018
7,000,000	$0.05	April 11, 2019
6,250,000	$0.05	April 6, 2020
16,386,667		

Subsequently, 2,600,000 share purchase warrants were exercised at $0.05 per share. As at April 26, 2016, we had 13,786,667 share purchase warrants outstanding.

Stock Options

At December 31, 2015, we had 442,000 employee and director share purchase options outstanding and exercisable entitling the holders thereof the right to purchase one common share for each option held as follows:

Number	Exercise Price	Expiry Date
80,000	$1.00	April 4, 2016
109,000	$1.00	December 6, 2016
253,000	$1.00	March 28, 2017
442,000		

Subsequently, 80,000 stock options at an exercise price of $1 per share expired unexercised; and we granted 1,600,000 stock options at an exercise price of $0.15 to our directors, officers and consultants. As of April 26, 2016, we had 1,962,000 share purchase options outstanding.

Risk Factors

An investment in our company involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this report in evaluating our company and our business before making any investment decision in regards to the shares of our company's common stock. Our business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing our company. Additional risks not presently known to us may also impair our business operations.

Risks Relating to our Financial Condition

We have had a history of losses and minimal revenue to date, which trend may continue and may negatively impact our ability to achieve our business objectives.

We have experienced net losses since inception, and expect to continue to incur substantial losses for the foreseeable future. As of December 31, 2015, our accumulated losses were $19,667,238 since inception. Our management expects the business to continue to experience negative cash flow for the foreseeable future and cannot predict when, if ever, our business might become profitable. We will need to raise additional funds to continue our operations, and such funds may not be available on commercially acceptable terms, if at all. If we are unable to raise funds on acceptable terms, we may not be able to execute our business plan, take advantage of future opportunities, or respond to competitive pressures or unanticipated requirements. This may seriously harm our business, financial condition and results of operations.

Our proposed operations require significant capital expenditures for which we may not have sufficient funding and if we do obtain additional financing, our existing shareholders may suffer substantial dilution.

We intend to make capital expenditures far in excess of our existing capital resources to acquire and explore our mineral properties. We intend to rely on external sources of financing to meet our capital requirements to continue acquiring, exploring and developing mineral properties and to otherwise implement our business plan. We plan to obtain such funding through the debt and equity markets, but we can offer no assurance that we will be able to obtain additional funding when it is required or that it will be available to us on commercially acceptable terms, if at all. In addition, any additional equity financing may involve substantial dilution to our then existing shareholders.

We have been the subject of a going concern opinion by our independent auditor who has expressed substantial doubt as to our ability to continue as a going concern.

Our independent auditor has added an explanatory paragraph to their audit report issued in connection with our financial statements which states that our recurring losses from operations and the need to raise additional financing in order to execute our business plan raise substantial doubt about our ability to continue as a going concern. Our financial statements do not include any adjustment that might result from the outcome of this uncertainty. Assurances cannot be given that adequate financing can be obtained to meet our capital requirements. If we are unable to generate profits and unable to continue to obtain financing to meet our working capital requirements, we may have to curtail our business sharply or cease operations altogether. Our continuation as a going concern is dependent upon our ability to generate sufficient cash flow to meet our obligations on a timely basis to retain our current financing, to obtain additional financing, and, ultimately, to attain profitability. Should any of these events not occur, we will be adversely affected and we may have to cease operations.

Risks Related to our Business

Because of the unique difficulties and uncertainties inherent in mineral exploration ventures, we face a high risk of business failure.

Potential investors should be aware of the difficulties normally encountered by mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration program that we intend to undertake on our properties and any additional properties that we may acquire. These potential problems include unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by us in the exploration of our properties may not result in the discovery of mineral deposits. Any expenditures that we may make in the exploration of any other mineral property that we may acquire may not result in the discovery of any commercially exploitable mineral deposits. Problems such as unusual or unexpected geological formations and other conditions are involved in all mineral exploration and often result in unsuccessful exploration efforts. If the results of our exploration do not reveal viable commercial mineralization, we may decide to abandon some or all of our property interests.

Because of the speculative nature of the exploration of mineral properties, there is no assurance that our exploration activities will result in the discovery of any quantities of mineral deposits on our current properties or any other additional properties we may acquire.

We intend to continue exploration on our current properties and we may or may not acquire additional interests in other mineral properties. The search for mineral deposits as a business is extremely risky. We can provide investors with no assurance that exploration on our current properties, or any other property that we may acquire, will establish that any commercially exploitable quantities of mineral deposits exist. Additional potential problems may prevent us from discovering any mineral deposits. These potential problems include unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates. If we are unable to establish the presence of mineral deposits on our properties, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

The potential profitability of mineral ventures depends in part upon factors beyond our control and even if we discover and exploit mineral deposits, we may never become commercially viable and we may be forced to cease operations.

The commercial feasibility of an exploration program on a mineral property is dependent upon many factors beyond our control, including the existence and size of mineral deposits in the properties we explore, the proximity and capacity of processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental regulation. These factors cannot be accurately predicted and any one or a combination of these factors may result in us not receiving an adequate return on invested capital. These factors may have material and negative effects on our financial performance and our ability to continue operations.

Exploration and exploitation activities are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on us.

Exploration and exploitation activities are subject to federal, provincial, state and local laws, regulations and policies, including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. Exploration and exploitation activities are also subject to federal, provincial, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment.

Environmental and other legal standards imposed by federal, provincial, state or local authorities may be changed and any such changes may prevent us from conducting planned activities or may increase our costs of doing so, which would have material adverse effects on our business. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages that we may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which will alter and negatively affect our ability to carry on our business.

Title to mineral properties is a complex process and we may suffer a material adverse effect in the event one or more of our property interests are determined to have title deficiencies.

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. We cannot give an assurance that title to our property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that we do not have title to one or more of our properties could cause us to lose any rights to explore, develop and mine any minerals on that property, without compensation for our prior expenditures relating to such property.

We have a very small management team and the loss of any member of our team may prevent us from implementing our business plan in a timely manner.

We have two executive officers and a limited number of additional consultants upon whom our success largely depends. We do not maintain key person life insurance policies on our executive officers or consultants, the loss of which could seriously harm our business, financial condition and results of operations. In such an event, we may not be able to recruit personnel to replace our executive officers or consultants in a timely manner, or at all, on acceptable terms.

Because our property interests may not contain mineral deposits and because we have never made a profit from our operations, our securities are highly speculative and investors may lose all of their investment in our company.

Our securities must be considered highly speculative, generally because of the nature of our business and our stage of operations. We currently have exploration stage property interests which may not contain mineral deposits. We may or may not acquire additional interests in other mineral properties but we do not have plans to acquire rights in any specific mineral properties as of the date of this report. Accordingly, we have not generated significant revenues nor have we realized a profit from our operations to date and there is little likelihood that we will generate any revenues or realize any profits in the short term. Any profitability in the future from our business will be dependent upon locating and exploiting mineral deposits on our current properties or mineral deposits on any additional properties that we may acquire. The likelihood that any mineral properties that we may acquire or have an interest in will contain commercially exploitable mineral deposits is extremely remote. We may never discover mineral deposits in respect to our current properties or any other area, or we may do so and still not be commercially successful if we are unable to exploit those mineral deposits profitably.

As we face intense competition in the mineral exploration and exploitation industry, we will have to compete with our competitors for financing and for qualified managerial and technical employees.

Our competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than us. As a result of this competition, we may have to compete for financing and be unable to acquire financing on terms we consider acceptable. We may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If we are unable to successfully compete for financing or for qualified employees, our exploration programs may be slowed down or suspended, which may cause us to cease operations.

Our future is dependent upon our ability to obtain financing and if we do not obtain such financing, we may have to cease our exploration activities and investors could lose their entire investment.

There is no assurance that we will operate profitably or will generate positive cash flow in the future. We require additional financing in order to proceed with the exploration and development of our properties. We will also require additional financing for the fees we must pay to maintain our status in relation to the rights to our properties and to pay the fees and expenses necessary to operate as a public company. We will also need more funds if the costs of the exploration of our mineral claims are greater than we anticipated. We will require additional financing to sustain our business operations if we are not successful in earning revenues. We will also need further financing if we decide to obtain additional mineral properties. We currently do not have any arrangements for further financing and we may not be able to obtain financing when required. Our future is dependent upon our ability to obtain financing. If we do not obtain such financing, our business could fail and investors could lose their entire investment.

Complying with environmental and other government regulations could be costly and could negatively impact our production.

Our business is governed by numerous laws and regulations at various levels of government. These laws and regulations govern the operation and maintenance of our facilities, the discharge of materials into the environment and other environmental protection issues. Such laws and regulations may, among other potential consequences, require that we acquire permits before commencing mining operations and restrict the substances that can be released into the environment.

Under these laws and regulations, we could be liable for personal injury, clean-up costs and other environmental and property damages, as well as administrative, civil and criminal penalties. Prior to commencement of mining operations, we may secure limited insurance coverage for sudden and accidental environmental damages as well as environmental damage that occurs over time. However, we do not believe that insurance coverage for the full potential liability of environmental damages is available at a reasonable cost. Accordingly, we could be liable, or could be required to cease production on properties, if environmental damage occurs.

The costs of complying with environmental laws and regulations in the future may harm our business. Furthermore, future changes in environmental laws and regulations could result in stricter standards and enforcement, larger fines and liability, and increased capital expenditures and operating costs, any of which could have a material adverse effect on our financial condition or results of operations.

Risks Related to our Common Stock

Because we do not intend to pay any cash dividends on our shares of common stock in the near future, our shareholders will not be able to receive a return on their shares unless they sell them.

We intend to retain any future earnings to finance the development and expansion of our business. We do not anticipate paying any cash dividends on our common stock in the near future. The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors, and will depend upon, among other things, the results of operations, cash flows and financial condition, operating and capital requirements, and other factors as the board of directors considers relevant. There is no assurance that future dividends will be paid, and if dividends are paid, there is no assurance with respect to the amount of any such dividend. Unless we pay dividends, our shareholders will not be able to receive a return on their shares unless they sell them.

A decline in the price of our common stock could affect our ability to raise further working capital and adversely impact our ability to continue operations.

A prolonged decline in the price of our common stock could result in a reduction in the liquidity of our common stock and a reduction in our ability to raise capital. Because a significant portion of our operations have been and will be financed through the sale of equity securities, a decline in the price of our common stock could be especially detrimental to our liquidity and our operations. Such reductions may force us to reallocate funds from other planned uses and may have a significant negative effect on our business plan and operations, including our ability to develop new products and continue our current operations. If our stock price declines, we can offer no assurance that we will be able to raise additional capital or generate funds from operations sufficient to meet our obligations. If we are unable to raise sufficient capital in the future, we may not be able to have the resources to continue our normal operations.

The market price for our common stock may also be affected by our ability to meet or exceed expectations of analysts or investors. Any failure to meet these expectations, even if minor, may have a material adverse effect on the market price of our common stock.

Additional Information

We file annual and interim reports, information circulars and other information with certain Canadian securities regulatory authorities. The documents filed with the Canadian securities regulatory authorities are available at http://www.sedar.com.